ROYAL COMMISSION ON THE TEXTILE INDUSTRY

HON. MR. JUSTICE W. F. A. TURGEON
Commissioner

A. S. Whiteley, Secretary

Minutes

VOLUME III

11th, 12th, 13th, 14th, 15th & 16th
DAYS

Mr. McRuer.

ROBERT BRYDGE
OFFICIAL REPORTER
TORONTO
CANADA

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ROYAL COMMISSION ON THE TEXTILE INDUSTRY

HON.MR. JUSTICE W.F.A. TURGEON,

Commissioner,

A.S. Whiteley, Secretary,

E L E V E N T H D A Y

Robert Brydie,
Official Reporter,

ROYAL COMMISSION ON THE TEXTILE INDUSTRY

HON. MR. JUSTICE W.F.A. TURGEON,

Commissioner,

A.S. Whiteley, Secretary,

Appearances:

J.C. McRuer, K.C. and E. Beauregard, K.C.	Commission Counsel,
J.P. Lanctot, K.C.,	For Special Committee of Primary Textile Industries.
S.G. Dixon, K.C.,	For Courtaulds Limited,
L.A. Forsyth, K.C.,	For Canadian Celanese Ltd. and Canadian Silk Products Limited.
Francois Lajoie, K.C.,	For the Wabasso Cotton Company Limited.
Hormidas Gariepy,	For the Local Union of the United Textile Workers of America.

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Robert Brydie,
Official Reporter.

Three Rivers, Quebec,
1st of April, 1936.

-- On resuming at 10.15 o'clock a.m.

MR. BEAUREGARD: Mr. Whitehead.

WILLIAM J. WHITEHEAD, recalled.

EXAMINED BY MR. BEAUREGARD:

Q. Mr. Whitehead, I don't know that I have followed your examination closely enough. Have we been given a list of the ages of all your employees, male and female? A. No.

Q. Well, would you give us a list of all your present employees, male and female, giving information as to names, addresses, age and occupation in the mill? You must have that already. A. We will have to take it off.

Q. I understand our provincial law requires that? A. We have to take the list off for you, thenames, ages, addresses --

Q. I mean the names, addresses, age, occupation and the period of time they are with the firm since the last engagement, or when they came back after they had left, I would not bother about the full story, but just the time they are with you since they have come back. This list would be as it stands now. A. As it is to-day.

Q. May I ask you the same information as prior

NEW RIVER, YUKON
1st of April, 1926.

-- On resuming at 10.35 o'clock a.m.

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Mr. CHAMPION: Mr. Whitehead.

WILLIAM J. WHITEHEAD, recalled,

10

EXAMINED BY Mr. McCUSKER:

Q. Mr. Whitehead, I don't know that I have followed your examination closely enough. Have we been given a list of the ages of all your employees, male and female? A. No.

15

Q. Well, would you give us a list of all your present employees, male and female, giving information as to name, address, age and occupation in the mill? You must have that already. A. We will have to take it off.

20

Q. I understand our provincial law requires that? A. We have to take the list off

Mr. CHAMPION: Q. -- I mean the number, address, age, occupation and the period of time they are with the firm since the last engagement, or when they come back after they had left, I would not bother about the full story, but just the time they are with you since they have come back. This list would be as it stands now.

25

A. As it is to-day.

30

Q. May I ask you the same information as pri

to August, the month of August strike in 1935, a list of employees before the strike? A. The 1st of August?

Q. Well, take any day before the strike; I mean in the month of August before the strike. May I changed what I asked you. I would prefer July because I am told that during the month of July there was a change in the quantity, a difference between the male and female employees and I would like to know prior to that stage.

THE COMMISSIONER: You mean the 1st of July?

MR. BEAUREGARD: The 1st of July, 1935.

THE WITNESS: We will make it the 3rd of July.

MR. BEAUREGARD: Or make it the 30th of June.

MR. MAJOIE: May it please your lordship, this list will be filed and it will be used, but Mr. Whitehead won't have any occasion to give any explanation. They will say "well, at such a date you had so many men and at such other date so many men, so so many did not come back to work", but there are reasons for the same to be given. This is a late hour to ask that.

MR. BEAUREGARD: Mr. Whitehead will never be denied an opportunity to be heard, I don't believe.

THE COMMISSIONER: If you think Mr. Whitehead should be heard again to explain anything on that list we can hear him. Perhaps he will come to Montreal with us.

MR. McRUER: Mr. Commissioner, I think it is quite clear under the act under which we are proceeding that

to August, the month of August strike in 1928.

a list of employees before the strike? A. The list of August?

Q. Well, take any day before the strike; I mean in the month of August before the strike. May I change what I asked you. I would prefer July because I am told that during the month of July there was a change in the quantity, a difference between the male and female employees and I would like to know prior to that stage.

THE COMMISSIONER: You mean the list of July?

MR. [illegible]: The list of July, 1928.

THE WITNESS: We will make it the 3rd of July.

MR. [illegible]: Or make it the 30th of June.

MR. [illegible]: May it please your Lordship, this list will be filed and it will be used, but Mr. Whitehead won't have any occasion to give any explanation. They will say "well, at such a date you had many men and at such other date so many men, so as he did not come back to work", but there are reasons for the case to be given. This is a late hour to ask that.

MR. [illegible]: Mr. Whitehead will never be denied an opportunity to be heard, I don't believe.

THE COMMISSIONER: If you think Mr. Whitehead should be heard again to explain anything on that line we can hear him. Perhaps he will come to Montreal with us.

MR. MOCKUN: Mr. Commissioner, I think it is quite proper under the rules of evidence

anyone whose conduct, or who is concerned with any conduct that has been investigated, has a right to be heard in explanation before any report is made.

THE COMMISSIONER: Mr. Lajoie simply meant, I think, that you would not be here. He would have to come to some other place.

MR. McRUER: We will have to hear Mr. Roberts on costs and Mr. Whitehead will no doubt come with him.

BY MR. LAJOIE: Q. You will make a copy for me, Mr. Whitehead? A. Yes.

MR. LAJOIE: You are not giving numbers to those exhibits yet?

MR. BEAUREGARD: We might possibly.

MR. McRUER: No.

BY MR. BEAUREGARD: Q. Now, Mr. Whitehead, about the female workers; I understand without setting any number that you have a large number of female workers, possibly more than half?

MR. LAJOIE: No, it is already filed in an exhibit. You have it already filed in an exhibit.

THE COMMISSIONER: What is that item? I didn't hear.

MR. BEAUREGARD: I mean you have a great number of female workers.

MR. LAJOIE: That is the exhibit you want. It is exhibit number 76.

BY MR. BEAUREGARD: Q. Then, referring to exhibit number 76 I see that out of a total of 1900 employees you have 674 female employees? A. Yes.

Q. Am I right in stating that a number of these

anyone whose conduct, or who is concerned with any conduct that has been investigated, has a right to be heard in explanation before any report is made.

[illegible]

[illegible] come to some other place.

Mr. [illegible]: We will have to hear Mr. Roberts on costs and Mr. Whitehead will be ready some with b[illegible]

BY MR. [illegible]: Q. You will make a copy for me [illegible]

MR. [illegible]: You are not giving [illegible] to the exhibits yet?

MR. [illegible]: We might possibly.

MR. [illegible]: No.

BY MR. [illegible]: Q. Now, Mr. Whitehead, about the female workers; I understand without [illegible] any number that you have a large number of female workers, possibly more than half?

MR. [illegible]: No, it is already filed in an exhibit. You have it already filed in an exhibit.

[illegible]

MR. [illegible]: I mean you have a great number of female workers.

MR. [illegible]: What is the exhibit you want. It is exhibit number 76.

BY MR. [illegible]: Q. Then, referring to exhibit number 76 I see that out of a total of 1800 employees you have 674 female employees? A. Yes.

Q. As I might in stating that a number of the

female employees do perform the same work as the men perform? A. You are wrong in your statement, Mr. Beauregard. There are a number of men who perform the same work as these female employees.

Q. So, do you say there is a kind of work which you call female work? A. It is known as that the world over, in every country that manufacturers textiles it is female labour.

Q. Without questioning the statement I will proceed with it from that point. So we may take for granted that men and women in some instances do perform the same work? A. Yes.

Q. Am I right in saying that when men do perform that work they are paid higher wages than the women are paid doing -- making the same work? A. The men that are working on the same shifts as the women are supposed to be paid the same rate as the women. The men that are working on the night shift, night all the time, get a higher wage than the women. There are a few instances where men were returned to work on that day shift, where they are drawing a higher rate than the women are.

Q. Should we understand that there are many cases where men during the day shift receive a higher salary, higher wages, than the female workers do receive for the same type of work? A. There are a number, but the agreement as arranged with the Mayor at the August strike was that these people would be reinstated at the same wage at which they were dismissed. That is why they are actually getting a higher

female employees to perform the same work as the men employed?

A. You are trying in your statement, Mr. Davenport. There are a number of who perform the same work as those female employees.

Q. So, do you say there is a kind of work which you call female work?

A. It is known and that is people over, in every country that would tell you textiles is female labour.

Q. Without constituting the statement I will proceed with it from that point. So we say that for instance that men and women in some industries do perform this same work?

A. Yes.

Q. Am I right in saying that when men do perform that work they are paid higher wages than the women are paid doing -- making the same work?

A. The men that are working on the same profits as the women are supposed to be paid the same rate as the women. The men that are working on the night shift at all the time, get a higher wage than the women. There is a few instances where men were returned to work on the day shift, where they are drawing a higher rate than the women are.

Q. Should we understand that there are many cases where men during the day shift receive a higher salary, higher wage, than the female workers do receive for the same type of work? A. There are a number, but the agreement as arranged with the men at the August strike was that these people would be reinstated at the same wage at which they were dismissed. That is why they are actually getting a hi-

wage than the women to-day.

Q. I heard you call this certain type of work female work. Do the female workers make that work as well as the men do? A. I don't understand.

MR. McRUER: Do they perform it?

BY MR. BEAUREGARD: Q. Do female workers perform the work as well as the men do perform it?

A. Yes.

Q. Should I go a bit further and say that they perform it better than the men? A. I would not say they perform it better than the men. I would say they are more adaptable to that type of work than most men.

Q. Outside of the reason you have given for paying a higher salary to men than women in this class of work is there any other reason why women should not receive as high a salary as men do to perform the work which you declare they are fit to perform? A. The standard rate for men at night, who work all night, all the time at night, as a bonus for working continually at night, is a higher wage than the women. Otherwise the men would not work at that rate night after night all their lives.

Q. I don't want to renew our discrepancy on the bonus. You still come back and call the wages of the men at night a bonus; didn't you say bonus now? A. No.

THE COMMISSIONER: I thought you did.

BY MR. BEAUREGARD: Q. I thought you had said the

very that the women do.

Q. I know you call this a type of work female work. Do the females engage in that work as well as the men do? A. I don't understand.

Q. QUESTION: Do they perform it?

BY MR. MACDONALD: Q. Do females perform this work as well as the men do perform it?

A. Yes.

Q. Should I go a bit further and say that they perform it better than the men? A. I would not say they perform it better than the men. I would say they are more adaptable to that type of work than most men.

Q. Outside of the reason you have given for paying a higher salary to men than women in this class of work is there any other reason why women should not receive as high a salary as men do to perform the work which you declare they are fit to perform? A. The standard rate for men is eight, we work all night, all the time at night, we a lot more functioning continually at night, is a lighter rate than the women. Otherwise the men would not work at that rate night after night all night long.

Q. I don't want to tender our discussion on the bonus. You still come back and call the rates of the men at night a bonus; didn't you say bonus just?

A. Yes.

THE QUESTIONER: I thought you did.

BY MR. MACDONALD: Q. I thought you had only

men were receiving a higher salary in the shape of a bonus? A. No.

Q. Your explanation of the fact that women do not receive as high a salary as men do receive for similar work is that these men have been taken back on the request of the Mayor? A. At the arrangement at the end of August that these men would be reinstated in their same positions and at their same wages.

Q. Why would not you give women, female workers, the same salary as men, any special reason for that, if you think it fair to give that salary to men to perform such work, if it happens that the women do perform the same work to your satisfaction? A. They don't.

Q. They don't perform it to your satisfaction? A. No, because they work days and the men work nights. It isn't the same work. If you have to work every night of your life at night time and never work in the day time you would ask for better compensation than if you worked in the day time and had your nights off.

Q. I would not think I would limit myself to that demand.

BY THE COMMISSIONER: Q. Is that the only differences? A. That is the only difference, my lord, the fact is they are working nights.

Q. For day work do they both get the same? A. For day work with the exception of certain cases, they get the same wage.

men were receiving a higher salary in the shape of a bonus? A. No.

Q. Your consideration of the fact that women do not receive as high a salary as men do receive for similar work is that these men have been taken back on the request of the report? A. At the arrangement at the end of August that these men would be reinstated in their same positions and at their same salaries.

Q. Why would not you give women, Miss Wonner, the same salary as men, any special reason for that, if you think it fit to give that salary to men to perform such work, if it happens that the women do perform the same work to your satisfaction?

A. They don't.

Q. They don't perform it to your satisfaction?

A. No, because they work days and the men work nights. It isn't the same work. If you have to work every night of your life at night time and never work in the day time you would ask for better compensation than if you worked in the day time and had your night off.

Q. I would not think I would think myself so that damned.

BY THE CHAIRMAN: Q. Is that the only difference? A. That is the only difference, my lord, the fact is they are working nights.

Q. You say so they both get the same?

A. For day work with the exception of certain cases that are the same.

Q. What kind of cases make this exception? A. Cases in which men, married men, family supporters, returned to work on the agreement which was undertaken between the Company and the Mayor at the end of August that these men would be returned to work at their same positions and at their same pay. That is, the men's pay was higher, actually higher, because they were working nights, always nights, but where a men works day on the work of a girl he gets the same rate as the girl.

BY MR. BEAUREGARD: Q. How many cases are there? I mean the exceptions? A. Offhand, Mr. Beauregard, I could not tell you. The cases are not very many, and as the opportunity comes to transfer these men on to the night shifts they are being transferred on to their proper shifts where their rates of pay are standard with the rest of the crew.

Q. Can we get any nearer as to the number of these men? A. I could not tell you offhand at all, unless I actually counted them.

Q. Can you have somebody get that information? A. We can get that information for you.

Q. Will you please get the information? A. Roughly I should say there is in the neighbourhood of one hundred.

Q. Now, Mr. Whitehead, coming back to the demands of the workers; I understand that following the August strike and the January strike the men have made certain demands --

THE COMMISSIONER: Did you say the January strike?

Q. What kind of cases make this except law?

A. Cases in which men, married men, family support cases, I work on the government which had commenced between the Company and the mayor at the end of August that these men would be returned to work at their same positions and at their same pay. That is, the men's pay was higher, actually higher, because they were working nights, always nights, but since a man works day on the work of a girl he gets the same as the girl.

BY M. Hutchinson: Q. How many cases are there I know the [illegible]

Commissioner, I could not tell you. The cases are very many, and as the opportunity comes in therefore these men go to the night shifts they are being transferred on to their proper shifts where their rates of pay are changed with the rest of the [illegible]

Q. Can we get any answer as to the number of these men? A. I could not tell you off-hand at all, unless I actually counted them.

Q. Can you have somebody get that information?

A. We can get that information for you.

Q. Will you please get the information?

A. Roughly I should say there is in the neighbourhood of one hundred.

Q. Now, Mr. Whitehead, coming back to the [illegible] at the beginning, I mean [illegible] strike and the January strike are men have made [illegible] data enough --

THE COMMISSIONER: Did you say the January strike

MR. BEAUREGARD: I mean August, 1935, and it would be January -- February.

THE COMMISSIONER: February.

BY MR. BEAUREGARD: Q. The February strike; the workers have summarized their grievances or their demands, as explained to the Commission by the union, and on this we have your outspoken, frank word of yesterday. Now, there is the question of an increase of salary of 15%. I understand that you have so far refused to discuss this demand because you will not recognize the union. May I ask you now what you would do on the demand of increasing the salaries by 15%? Can you agree that the workers receive a very small salary and that an increase is in order now? A. I stated yesterday, Mr. Beauregard, that I would not commit myself to a statement on that condition in any way whatsoever that could be constituted as a promise or statement which would bind me at a later date should occasion arise where I was unable to comply with that request, or fulfill that intimated promise, as it is impossible for me to judge conditions as they are to-day, whether it is possible or would be possible to give that increase. That demand was made to me by the Industrial Committee on a number of occasions and I repeated at that time that when the financial position of the company warranted an increase of wages that the increase would be given without the employees requesting it in the amount that it was possible for the company to do it, and I am not prepared to

1946 W. Whitehead

MR. HOWARD KO: I mean August, 1946, and it would be January -- February.

THE CHAIRMAN R: February.

BY MR. HOWARD KO: . The February meeting; the workers have surrendered their privileges or their demands, as referred to the commission by the union; and on this we have your answer. Frank word of yesterday. Now, there is the question of an increase of a dozen of 1946. I understand that you have so far refused to discuss this demand because you will not recognize the union. May I ask you now what you would do on the demand of increasing the salaries by 1947? Can you agree that the workers receive a very small salary and that an increase is in order now?

A. I stand yesterday.

MR. HOWARD KO: that I would not commit myself to a statement on that condition in any way whatsoever that could be constituted as a promise or statement which would bind me at a later date should occasion arise where I was unable to comply with that promise or fulfill that intimated promise, as it is impossible for me to judge conditions as they are to-day, whether it is possible or would be possible to give that increase. That demand was made to me by the Industrial Committee on a number of occasions and repeated at that time that when the financial position of the company warranted an increase of wages the increase would be given without the employees formulating it in the request but it was impossible for the company to do it, and I am not prepared t

make any further statement above that that was made at the Industrial Committee. I don't think the court can ask to bind me to any promise which I doubt whether I could fulfill.

Q. So if a demand of this kind was made to-day it would be met with a refusal? A. Yes.

Q. As to the third demand of the employees -- I mean the reinstatement of those who had been dismissed you said yesterday that a great number of them had been reinstated and that it was under process as to the balance. Do you agree you would reinstate all the men that have been dismissed?

A. I will agree to reinstate those men if, as and when positions become available in which they can be put.

Q. Should we understand that when these men have been dismissed that none have been hired from outside the city, at the time? A. Mr. Beauregard, the company made a contract with the Mayor of the city of Three Rivers, or with the council of the city of Three Rivers that they would not knowingly employ any man from outside the limits off the city of Three Rivers. Now, if that question is raised and persisted upon, as it has been persisted upon continuously since the month of July, certain of your witnesses, which appeared in this stand to give evidence against the company, publicly stated that they came from outside the city of Three Rivers, and I have every right in order to comply with my contract with the council of Three Rivers to dismiss these men from the

no any further statement above that that was made
at the Industrial Committee. I don't think the
Court can ask to bind me to any promise which I doubt
whether I could fulfill.

4. Do if a demand of this kind was made to-day
it would be met with a refusal? A. Yes.

5. As to the third demand of the employees —
I mean the reinstatement of those who had been dis-
missed for such reasons that a great number of the
had been reinstated and that it was under process
as to the balance. Do you agree you would reinstate
all the men that have been dismissed?

A. I will agree to reinstate those men if, as and
when positions become available in which they can
work.

6. Would we understand that such those men
have been dismissed that none have been hired from
outside the city, at the time? A. No. Prior to
the company made a contract with the Mayor of the
city of Three Rivers, or with the council of the c
of Three Rivers that they would not knowingly emp
any man from outside the limits of the city of Th
Rivers. Now, if that contention is raised and were
true, as it has been reiterated upon continuously
since the month of July, certain of your witnesses
will appeared in this stand to give evidence as
the company. Mr. Lily stated that they came from
outside the city of Three Rivers, and I have ev
right in order to comply with my contract with t
council of Three Rivers to discharge these men, if

employ of the company without question.. Now, when a man applies for a position in the company and states that he is a resident of the city of Three Rivers the company does not keep a detective force so that they can follow up his statements to find out whether he actually comes from the town or not. He gives an address and place of residence inside Three Rivers and states he is a citizen of the town. If the employees make false statements on that account I do not see how you can hold the company responsible for that.

Q. I suppose, Mr. Whitehead, you have understood that I was referring to engagements that would have taken place after the strike of August?
A. There is to our knowledge, apart from certain positions of a clerical nature, apart from a few positions of a clerical nature, no one that has been knowingly engaged as coming from outside the city of Three Rivers, and that is one point that I am particularly strict about.

Q. So your statement is that nobody to your knowledge has been hired after the strike of August or at the occasion of the strike of August, who was not a resident, already a resident, of Three Rivers?
A. With the exception of certain clerical or special positions.

BY THE COMMISSIONER: Q. I understand that the real difference is this, that you put on a number of women instead of men who had previously been employed?
A. Yes.

employ of the company without permission.” Now, when a man applies for a position in the company and states that he is a graduate of the city of Boston Civil Service Commission, does you keep a duplicate copy so that you can follow up his statements in that manner by actually going from the mail to and.

Do live on Jackson and place of residence Lamb? Does anyone put phone he is a citizen of the State? Is it a employment agency, statements in that account? I do not see how you can hold the company responsible for one?

A. I suppose, Mr. Chairman, I have been instructed that I was entering in an agreement that would have been place for the stability of company?

A. There is in our business, except from certain positions of a confidential character, and if from a few positions of a confidential nature, no one this has been absolutely managed or control from outside the city of Chicago Bureau, and that in one point that I am actually speaking about.

Q. In your statement is that correct, in your examination has been taken place the policies of company or at the conclusion of the giving of legend, was this not a criminal, attorney's employment, of Chicago Bureau? A. With the exception of criminal cases I or specialist practitioner.

BY MR. SCHOLFIELD: Q. I understand that the real difference in this, that you put on a number of women employed of a certain age particularly from our?

A. Yes.

Q. Now, the question is, you do not intend to change that. I understood you to say that yesterday? A. Yes.

Q. You intend to keep these women? A. Yes.

Q. And not replace them by men? A. Yes.

BY MR. BEAUREGARD: Q. Then, you hired female workers to take the place of men and your female workers on the same type of job were paid less wages, a lesser amount of wages by piece work? A. The rates -- the same difference existed then as exists to-day.

Q. It has been -- A. That has been the practice since before the War.

Q. Should we understand that the men that have been dismissed, and not replaced, except by women, received higher wages than the women who replaced them? A. Yes, because they worked at night.

Q. By what margin, what is the difference? A. Varying between 5 and 10% according to the work.

Q. I understand that women do not work at night? A. No.

Q. How can these women --

BY THE COMMISSIONER: Q. It is not allowed by law? A. After eleven o'clock.

BY MR. BEAUREGARD: Q. How could these women replace night workers if these women work only during the day time? A. We have explained a number of times that the shifts run from seven to three and from three to eleven and the men worked from

Q. Now, the question is, you do not intend to change that. I understood you to say that you were

A. Yes.

Q. You intend to keep these women?

Q. And not replace them by men?

BY MR. BARRINGTON: Q. Then, you intend female workers to take the place of men and your female workers to take the place of men at less wages, a larger amount of women by piece work?

A. The system -- the same difference existed from the begin-

Q. It has been --

A. That has been the practice since before the War.

Q. Should we understand that the men have been dismissed, and not replaced, except by women, received higher wages than the women who replaced them?

A. Yes, because they worked night.

Q. By what method, what is the difference?

A. Varying between 6 and 10% according to the work.

Q. I understand that women do not work at night.

Q. How can these women --

BY THE CHAIRMAN: Q. It is not allowed by

A. After eleven o'clock.

BY MR. BARRINGTON: Q. How could these women replace night workers if these women work only the day time?

A. We have employees a night time that the authorities from Essen to those and from three to eleven and the men worked from

eleven to seven.

BY MR. LAJOIE: Q. Before what were the hours of the shifts? A. The girls ran from eight to four and the men from four to twelve and twelve to eight.

BY MR. BEAUREGARD: Q. The result of this was first that the men could not be reinstated because you hired, and you would not dispense with female workers? That is one, isn't it? A. Repeat that.

Q. I said the result of this policy was that a certain number of men were displaced and not reinstated? A. Yes.

Q. And the second was that the company received from the female workers services at least equal to that of men and paid a less amount for such services? A. Actually on the face of it that did occur, but as I tried to explain to you yesterday, if the Province of Quebec law had come out at an earlier date than it did the men would never have been engaged on that second shift, and that the cost to the company would have remained the same. It was not only a question of wages which controlled that choice, but the question of efficiency in work, because we had a lot of men in there with hands that had been used to handling the pick and shovel and were not much good for the work.

Q. That is why you find that in general the female workers are better fit for the work? A. Because most of the older men who come to be employed have worked at rough work outside and they are

Plaintiff's Evidence.

MR. [illegible]: Q. Before which was the course the shuttle?

A. The girls ran from which to four and the men from door to twelve or twelve to eight.

MR. [illegible]: Q. The result of this was that the men could not be rationed because hired, and you could not discharge the girls [illegible] Isn't that true? A. Yes, that is.

Q. I said the result of this policy was that certain number of men were employed and not [illegible]?

A. Yes.

Q. And the second was that the company [illegible] from the female workers services at least equal to that of men and with a lower amount for each service?

A. Actually on the face of it that did occur, but I tried to explain to you previously, in the review of wages law that some out of my earlier date than it did the men would never have been employed in the second shift, and that the cost to the company would have reduced the same. It was not only a matter of wages which controlled that matter, but the question of efficiency in work, because we had a lot of men in there with marks that had been used to handling the pick and shovel and were not used work for the work.

Q. That is why you filter that in general the female workers are better fit for the work?

A. Because most of the older men who come to be employed have worked at heavy work outside and then

not as good.

Q. And female workers are young girls?

A. But the boys who grow up in the industry are just as capable as the girls.

MR. BEAUREGARD: Alright.

MR. McRUER: There are three statements, my lord, that I thought had been filed, that were produced at my request by Mr. Whitehead. One is the average earnings by occupation for the --

THE COMMISSIONER: 119; what is it a statement of?

MR. McRUER: The average earnings by occupations for the period ending the 1st of September, 1935.

THE COMMISSIONER: What period?

MR. McRUER: Ending the 1st of September, 1935.

THE COMMISSIONER: When does that begin?

MR. McRUER: It is just at that time, for that period.

THE COMMISSIONER: September 1st -- September, did you say?

MR. McRUER: September 1st.

EXHIBIT NO. 119: Statement of average earnings by occupations.

BY MR. McRUER: Q. Mr. Whitehead, is there any reason that that statement is stated to be for the period ended the 1st of September, 1935? It is meant to be just a sample? A. It is just a period, Mr. McRuer, that has been chosen.

Q. That is the pay roll at that time?

A. I forget the exact request for the statement, but it was not particularly chosen for any definite reason.

only an hour.

Q. And female workers are Young Girls?

A. But the boys who grow up in the industry are just capable as the girls.

MR. MCAUSLAND: Adjourn.

MR. MONK: There are three statements, my Lord, that I thought had been filed, but were produced at my request by Mr. Whitehead. One is the average earnings by occupation for the --

THE COMMISSIONER: Yes; what is it a statement of?

MR. MONK: The average earnings by occupation for the period ending the last of September, 1928.

THE COMMISSIONER: What period?

MR. MONK: Ending the last of September, 1928.

THE COMMISSIONER: When does that begin?

MR. MONK: It is just at that time, for that period.

THE COMMISSIONER: September 1st -- September, 1928.

MR. MONK: September 1st.

EXHIBIT NO. 119: Statement of average earnings by occupations.

BY MR. MONK: Q. Mr. Whitehead, is there any reason that that statement is stated to be for the period ended the 1st of September, 1928? It is meant to be just a sample? A. It is just a period, Mr. Monk, that has been chosen.

Q. That is the pay roll at that time?

A. [Compiled from monthly returns for the statement. It was not particularly chosen for any definite

BY THE COMMISSIONER: Q. Just/cut off at that place? A. Yes, it is the end of our financial quarter.

BY MR. McRUER: Q. Then the next is a statement of average earnings by occupation, male and female, for 1932, 55 hour period? A. Yes.

THE COMMISSIONER: That is 120; for what period?

MR. McRUER: 1932, my lord.

MR. LAJOIE: What is the number of those exhibits, please?

THE COMMISSIONER: 119 and 120.

EXHIBIT NO. 120: Statement of average earnings by occupation, male and female, for 1932.

MR. McRUER: Then, I have a statement of raw cotton purchases from 1928 to 1935.

THE COMMISSIONER: Statement of raw cotton purchases?

MR. McRUER: Yes.

THE COMMISSIONER: What period?

MR. McRUER: 1928 to 1935, my lord.

THE COMMISSIONER: That will be 121.

EXHIBIT NO. 121: Statement of raw cotton purchases from 1928 to 1935.

BY MR. McRUER: Q. You were going to get me a statement showing your losses in raw cotton; has that been made up yet? A. That statement is being made up for you and will be mailed to you with the other statements which you have asked for.

Q.Alright, thank you.

THE COMMISSIONER: Have you finished with Mr.

[illegible]

BY THE CONSTITUENTS: Q. Just/out off at that place? A. Yes, it is the end of our [illegible].

BY MR. [illegible]: Q. Then the next is a statement of average earnings by occupation, male and female, for 1936, 38 hour period? A. Yes.

THE CHAIRMAN: That is 120; for what period?

MR. [illegible]: 1936, my lord.

MR. [illegible]: What is the number of those employed?

THE CONSTITUENT: 119 and 120.

[illegible] statement of average earnings by occupation male and female, for 1936.

MR. [illegible]: Now, I have a statement of raw cotton production figures from 1948 to 1955.

THE CHAIRMAN: Statement of raw cotton [illegible]?

MR. [illegible]: Yes.

[illegible]: Very [illegible]

[illegible]: [illegible], [illegible].

THE CHAIRMAN: That will be 121.

[illegible]

[illegible].

BY MR. [illegible]: Q. You were going to get me a statement showing your losses in raw cotton; has that been made up yet? A. That statement is being made up for you and will be mailed to you with the other statements which you have asked for.

Q. Alright, thank you.

Whitehead?

MR. McRUER: Well, something may arise out of what I am about to mention. I asked for certain correspondenne yesterday with the Textile Institute of which Mr. Whitehead said that his company was a member.

THE COMMISSIONER: That is the correspondence between his company and the Institute?

MR. McRUER: Between his company and this association of textile companies that is called the Textile Institute, and there is a cotton branch of the Textile Institute, and I asked for any correspondence this company might have with that institute. I understand Mr. Lajoie has some representations to make in regard to the matter.

MR. LAJOIE: We wish to have the advice of the Commissioner on that question. I say by statute 21-22 George V, chapter 55, the law establishing the tariff commission, at article 5, paragraph 10 -- I have the French version before me but I will try to translate to the best of my knowledge.

THE COMMISSIONER: Read it in French.

(Page 1502 follows)

[illegible]

MR. MORTON: Well, something may arise out of what I am about to mention. I member for certain correspondence particularly with the Textile Institute of which Mr. Whitehead said that his company was a member.

THE COMMISSIONER: What is the correspondence between his company and the Institute?

MR. MORTON: Between his company and this association of textile companies that is called the Textile Institute, and there is a cotton branch of the Textile Institute, and I asked for any correspondence this company might have with that institute. I understand Mr. Bajole has some representations to make in regard to the matter.

MR. BAJOLE: We wish to have the advice of Commissioner on that question. I say by analogy with Rule 7, Chapter 50, the Law Consolidation Act, 1927, Commission, at article 5, paragraph 10 -- I have the French version before me but I will try to translate to the best of my knowledge.

[illegible]

Me.Lajoie:

" Si des témoignages ou des renseignements d'une nature confidentielle, relativement aux affaires ou opérations de quelque personne, firme ou corporation, sont donnés ou recueillis au cours d'une enquête, les témoignages ou les renseignements ne doivent pas être rendus publics de manière qu'ils puissent servir à un commerçant concurrent ou rival de la personne, firme ou corporation, respectivement, mais le présent paragraphe ne doit pas s'appliquer à une enquête instituée sous le régime du paragraphe trois de l'article quatre de la présente loi ".

Le paragraphe 3 se lit comme suit:

"3.- Le gouverneur en conseil peut investir la Commission du pouvoir de tenir une enquête en exécution de l'article quinze du Tarif des douanes, de la même manière que le juge de la Cour de l'Echiquier ou tout autre juge mentionné audit article peut être investi de ce pouvoir, et le dit article doit comprendre la Commission et s'y appliquer comme si elle y était expressément nommée."

M.Lajoie: En continuant l'article, la lecture du paragraphe 10 nous voyons:

" Quiconque enfreint l'une des dispositions du présent paragraphe est coupable d'une infraction et passible, après déclaration sommaire de culpabilité, d'une peine d'au plus mille dollars ou d'un emprisonnement d'au plus douze mois."

Me. Lajoie: En présence de ce statut nous soumettons que par ce statut cette correspondance ne devrait pas être produite.

Me. Taylor:

" Si des fonctionnaires ou des gouvernements, l'on
accorde confidentielle, habituellement sur matières ou
opérations de caractère personnel. Plus ou moins
sont comme ou possibilité ou cas d'une enquête.
Les fonctionnaires ou leur représentant, ne se veut pas
être tenus moins de manière qu'ils puissent mettre
à ce commencement ou tirer de la manière,
plus ou moins, temporairement, mais la pratique
parlementaire ne doit pas s'opposer à une enquête lor-
sque sous la forme du mandat du droit de l'article
contre de la manière ici ".

Le paragraphe 6 se lit comme suit:

"6.- Le gouvernement en conseil peut interdire la
communication de renvoi de tout une enquête ou ac-
tion ou l'article quinze du fait que comme, de la
même manière que la loi ou de cette de l'enquête
ou tout autre fait mentionné ainsi article peut dire
lorsqu'il se produit, et le dit article sont comme
ce la transmission et s'y conformer comme il ainsi y
était présentement mentionné."

Me. Taylor: Ce qui concerne l'article, le langage du
paragraphe 10 nous voyons:

" Quelque ou conformé l'une des informations du
gouvernement personnelle ou concerté à une intervention et
essentielle, comme discrétion annulée de confidentiel,
d'une sous s'en plus moins ou d'un organisme
mesure s'un plus sous moins."

Me. Taylor: Ou présence de ce texte nous constat-
tons que "le texte" [illegible]
[illegible].

MR. LANCTOT: My lord, I join in the application of my learned confrere, Mr. Lajoie. I submit that article 4 of the act concerning this inquiry, or whatever article there is, has not the effect of changing the existing laws. Unless the law is abrogated, unless there is something special in the text we have to take the laws as they are. Under paragraph 4, where your lordship has to investigate, you can ask for all necessary documents, but there is nothing said there that a necessary document overrules --

THE COMMISSIONER: Paragraph 4 of what?

MR. LANCTOT: Of the act, of your act, of the Inquiry Act. There is nothing said there in this article that appears to overrule the existing law.

THE COMMISSIONER: What existing law?

MR. LANCTOT: This is the law of the Tariff Board which you have.

THE COMMISSIONER: The Tariff Board law is a special law applying to the Tariff Board. I am not the Tariff Board.

MR. LANCTOT: The inquiry foreseen in pargraph 10, which you are reading now, is not the inquiry which is going on now. The inquiry which is going on now is under the act -- under 99, and it is an act when there is nnthing special for inquiry. It is not a departmental inquiry. So the inquiry referred to in paragraph 10 of article 5 is an inquiry made by the Exchequer Court, and a special inquiry, and is not the inquiry which is going on now.

MR. MACDONALD: My Lord, I join in the application of my learned friend, Mr. [illegible]. I submit that article 4 of the act concerning this inquiry, or whatever article there is, has not the effect of abrogating the existing law. Unless the law is changed, unless there is something special in the act to bring to bring the law up to date. Under paragraph 4, where you have the right to investigate, you can pass for all necessary documents, but there is nothing such there as that a necessary document overrules --

THE COMMISSIONER: Paragraph 4 of what?

MR. MACDONALD: Of the act, of course, of the Inquiry act. There is nothing said there in this article that appears to overrule the existing law.

MR. MACDONALD: This is the law of the Canadian Bar Association.

THE COMMISSIONER: The Canadian Bar Association law is a special law applying to the Canadian Bar. I am not the Canadian Bar.

MR. MACDONALD: The inquiry referred to in paragraph 20, which you are reading now, is not the inquiry which is going on now. The inquiry which is going on now is under the act -- under 99, and it is an act which does not contain a special for inquiry. It is not a judicial inquiry. So the inquiry referred to in paragraph 20 of article 3 is an inquiry made by the examiner under a special inquiry, and is not the inquiry which is going on now.

THE COMMISSIONER: Is not an inquiry?

MR. LANCTOT: Is not the inquiry which is going on now.

(page 1504 follows)

THE COMMISSIONER: Is not an inquiry?

MR. HAMMOND: Is not the inquiry which is going on here.

THE COMMISSIONER: (Page 1014 ?-Lines)

M. BEAUREGARD:

C'est la remarque que j'allais faire à mes savants amis. Nous sommes sous le chapitre 99 de la Loi des Enquête qui gouverne votre Commission, et nos savants amis devraient trouver des règles spéciales où la preuve que l'on demande serait traitée comme confidentielle. Mon savant ami fait allusion à la loi spéciale, l'enquête par le Tarif Board, je ne crois pas que nous soyions limités comme l'était le tarif board par son statut. Dans l'ordonnance nous truvons que c'est en vertu de l'article 99, qui est la loi des enquêtes, et nous ne trouvons rien du ce que prétendent mes savants amis, et nous sommes régis par la Loi de la Preuve du Canada.

Mr.LANCTOT: L'acte qui est l'ordre en conseil ne change pas la loi.

M.le COMMISSAIRE: Les devoirs et pouvoirs de l'acte concernant les enquête sur les choses publiques, et je ne trouve rien qui règle le cas que vous soumettez. En tout cas, pour ce qui regarde ceci, c'est à dire les renseignements de nature confidentielle dont l'exposé pourrait nuire à la Corporation, personne ou firme, mais de quelle façon? Il est dit " Les témoignages ou les renseignements ne doivent pas être rendus publics de manière à ce qu'ils puissent servir à un commerçant, commerçant conurrent..."

Qu'est-ce qu'il y a dans l'examen demandé par M. McPuer qui peut donner lieu à cet ~~xxxxxxxxx~~ inconvénient que vous prévoyiez, Vous êtes tous dans cet institut, dans cette association. Il

M. BLANCHARD:

Je ne le pense pas. Il faut faire à mon
ami, M. Nadeau, mais le système qui de
la loi des majorités est pourtant vraiment
et nous avons deux exemples pour
démontrer où il en est que l'on commence
ses conditions. Nous avons eu
à la loi spéciale, l'exemple de la Part Board,
je ne crois pas que nous ayons limites comme
l'ont le tarif basé par eux-mêmes. Mais l'on
commence nous trouvons que c'est en vertu de l'
cicle 92, que est la loi des amendes, et nous
trouvons rien de ce que prétendent mes amis
et nous avons traité par la loi de la preuve de
[illegible].

M. [illegible]: L'une qui est l'après en cause
ne change pas la loi.

M. le Orateur [illegible]: Les devoirs et pouvoirs de l'
se concernant les enquêtes en les cause [illegible]
et je ne trouve rien qui réglé le cas que vous
[illegible]. En tout cas, pour ce qui regarde cette
c'est à dire non [illegible] le [illegible]
[illegible] dont l'[illegible] pouvait [illegible] à [illegible]
[illegible], [illegible] mais [illegible]
il est dit " les témoignages [illegible]
ne [illegible] pas [illegible] [illegible] de [illegible] à
ce qu'il [illegible] [illegible] à [illegible], [illegible]
[illegible] [illegible]..."

[illegible] à [illegible] l'[illegible]
par M. Nadeau que [illegible] [illegible] à [illegible]
[illegible] que vous [illegible]. [illegible]
[illegible] [illegible], [illegible] [illegible]. Il

s'agit de la correspondance échangée entre ce membre de l'Institue, la compagnie ici et l'Institut concernant un sujet qui est d'intéret général à toute votre industrie. Alors comment pouvez-vous dire que vous les exposez à la rivalité de vos concurrent, en prenant connaissance de cette correspondance.

Mt. Lanctot: Cet article là est quand les informations ont été données....

Par M.le Commissaire:

C'est le paragraphe lu par M.Lajoie, qui dit qu'on ne doit pas porter à la connaissance d'un commerçant concurrent ou rival, les secrets de son commerce. Mais est-ce le cas ici- je ne vois pas du tout.

Par M.LANCOT: Le paragraphe 10 que vous venons de lire dit, si l'on donne des renseignements sous l'immunité de ce paragraphe, est-ce qu'après coup on peut venir et leur donner un effet retrogctif contraire ou une interprétation contraire.

Par M.le Commissaire: Non.

Par M.LANCTOT:

Pour répondre directement à la Cour je demande la permission de faire une distinction entre l'enquête ici mentionnée, notre enquête ici est sous le chapitre 99, mais il n'y a pas de loi...

Par M.le Commissaire: Vous dites quand il n'y a pas de loi...

Mtre LANCTOT: Quand il y a pas de loi spéciale. L'enquête que vous prédisez dans ce moment -ci est régie par aucune loi spéciale.

Par M.le Commissaire.

Cette enquête en questionn'est pas régie par

une loi spéciale, au contraire, voyez, si vous lisez la Commission qui m'a été conférée, l'ordre en conseil, vous verrez qu'on demande une enquête beaucoup plus approfondie que ne pourrait le faire le bureau du tarif, ou une enquête différente, si nous siégions sur une question de douanes, nous ne serions pas ici, ce serait la Commission du Tarif. Je ne sais pas si vous avez lu l'ordonnance.

Par M.LANCTOT: J'ai vu l'ordre en Conseil.

Par M.le Commissaire: On demande une enquête plus approfondie, et plus de détails, que ne pourrait le faire la Commission du Tarif, c'est une enquête beaucoup plus approfondie et plus complète que ne pourrait le faire les fonctionnaires du gouvernement ou la Commission du Tarif. C'est autre chose qu'une enquête qui se fait presque continue par la Commission du tarif touchant les questions de douanes. là Il est concevable que l'on protège les secrets du commerçant vis à vis de ses concurrent.

Si vous me faisiez voir que M.McRuer exige de vous d'exposer vos secrets à vos commerçants concurrents, de façon à nuire à votre commerce, là je prendrais en considération l'objection.

Par Mtre LANCTOT;

Si on me permet encore quelques remarques. Je dois mettre ma position claire. C'est que ceci a de l'importance dans la décision que l'on peut avoir, pour les autres,

Par Mlle COMMISSAIRE:

Faites moi bien comprendre l'objection, elle s'adresse à une demande faite par M.McRuer, de produire la correspondance échangée entre la

une loi spéciale, en question, vous, si vous i
la domination sur n'a est convaincu, l'ordre ou
général, [illegible]
cette [illegible] que je ne vais la loin le
road du tarif, ou une enquête différente, si nous
[illegible] une [illegible] de commerce, nous ne con
pas ici, ce qu'est la domination du tarif. Je ne
[illegible] vous avez la l'[illegible].

[illegible] M. [illegible] : J'ai vu l'ordre du Conseil.

[illegible] : Je demande une [illegible]
[illegible], et plus de [illegible], ne [illegible]
la [illegible] du tarif, c'est une [illegible]
[illegible] et plus [illegible] que [illegible]
[illegible] la [illegible] du [illegible]
de la domination du tarif. J'ai entendu que [illegible]
[illegible] du [illegible] [illegible] par le [illegible]
[illegible] du tarif [illegible] de [illegible].
Il est [illegible] que [illegible] les [illegible]
[illegible] [illegible] à [illegible].

Il vous en [illegible] vous que M. [illegible] [illegible]
[illegible] [illegible] à [illegible], [illegible]
[illegible] à [illegible] à [illegible], [illegible]
[illegible] l'[illegible].

Si on [illegible]
[illegible] [illegible]
[illegible] [illegible] [illegible]
[illegible] [illegible]

[illegible] :

[illegible] l'[illegible], [illegible]
[illegible] à [illegible] [illegible] M. [illegible], de
[illegible] [illegible] [illegible] [illegible] [illegible] [illegible]

compagnie et l'Association que vous représentez.

Mtre LANCTOT:

Que je ne représente pas, parce qu'elle a ses avocats au point de vue de la Commission du Tarif, enfin qui sont les personnes qui occupent pour eux lorsqu'il s'agit de matière de tarif.

Par M.le COMMISSAIRE:

Est-ce une correspondance échangée entre la compagnie Wabasso et ses avocats. Si c'était le cas, nous aurions un autre principe à considérer, celui du privilège d'un avocat et de son client, mais je ne pense pas que ça soit ça. Je n'ai pas compris que c'était le cas.

Par Mtre LANCTOT:

Ce sont des documents, qui nous soumettons tombent sous le paragraphe 10, chapitre 55.

Par Mtre LAJOIE:

Me permettrez vous,votre Seigneurie avez fait mention que l'enquête était sensiblement plus étendue que les autres enquêtes, Mais vous avez une loi qui vous régie c'est le paragraphe 4, chapitre 99.

Par M.Lanctot:

Je vois que vous n'avez que les pouvoirs des Cours d'archives. Les Commissaires ont le pouvoir d'amener devant eux d'autres témoins,et ces personnes ont le droit ....

Vous n'avez aucun pouvoir qui abroge la loi existante, et vous êtes soumis à toutes les lois existantes. Le mandat que vous avez est un mandat plus étendus par l'ordre en conseil , mais l'ordre en conseil n'est-ce pas ne peut pas changer les lois.

conséquence et l'association que vous voyez entre.

Mtre LAMONTAGNE:

Je ne représente pas, parce qu'elle a des avocats, un point de vue en la domination du Fait, mais qui sont les personnes qui ont pris pour eux lorsqu'il s'agit de matière de tarif.

Par le Commissaire:

Entre une compagnie de chemins de fer et une compagnie usinant et ses avocats. Il n'est pas le cas, mais entre un autre principe à considérer, celui du principal, un avocat et de son client, mais je ne pense pas que ça soit ça. Je n'ai pas compris que c'était le cas.

Par Mtre LAMONTAGNE:

Ce sont des communes, qui ont certaines tonnent dans le paragraphe 1b, chapitre 59.

Par Mtre Lafleur:

Je présumerai vous,vous soumettrez avec fait mention que l'enquête était nécessairement plus étendue que les années en cause, mais vous avez une loi que vous régie c'est la paragraphe 4, chapitre 59.

Par le Commissaire:

Je veux que vous n'avez pas les pouvoirs des Cours d'arbitrage. Les Commissaires ont le pouvoir de trancher devant eux l'ensemble,et ses paragraphes ont le droit ....

Vous n'avez aucun pouvoir qui abroge la loi existante, et vous êtes soumis à toutes les lois existantes. Le seul fait que vous avez eut un mandat plus étendue par l'ordre en conseil , mais l'ordre en conseil n'a-ce pas ne peut pas changer les lois

Vous êtes limité par les lois existantes.

Par M.le COMMISSAIRE:

Vous avez l'article 5 qui suit qui dit que le Commissaire peut contraindre les témoins à comparaitre et à rendre témoignage, etc., ce n'est pas une limitation ça, c'est un supplement de pouvoir pour forcer les récalcitrants à venir devant moi. Même si vous étiez en Cour de Justice, de quel droit demanderiez vous, feriez-vous objection à la production de ces documents.

Par M.LANGTOT.

Je citerais les articles 21-22.

Par M.le Commissaire:

D'après ce que je comprends il s'agit de documents, de correspondance entre une certaine association et ses membres,c'est tout.

Par Mtre LAJOIE:

L'institut connu sous le nom de Cotton Institute, c'est une institut qui a pour but d'étudier les cas des différentes compagnies qui la compose. Ce sont comme les procureurs de ces compagnies là, les renseignements qui leurs sont fournis sont assimilables à des renseignements privé par un client à son avocat.

Par M.le COMMISSAIRE:

Vous dites qu'ils sont assimilables à ce cas là, mais est-ce bien le cas?

Par Mtre LAJOIE:

Par le chapitre 55, il est dit que quand ces causes sont présentées devant le bureau du tarif, elles ne le sont pas par les avocats, mais

Vous avez limité et sur lois criminelles.

Par m.le Président:

Dans ces [illegible] d'où est qu'il dit que la commandé pour certaines lois ébauches à connaissi et à nombre monstrueux, etc.. ce n'est pas une limite lon ça, c'est un avertissement de l'avoir pour tenter les représentants à venir devant moi. Mais si vous avez un cas de crédure, ce qual doit se manifester vous, faites-vous objection à la procédure de ces [illegible].

Je attendis les [illegible] si-[illegible]

Par m.le Président:

Répondu ce que je comprends il était de commé, la correspondance entre une certaine suppositon et une [illegible], c'est tout.

Par [illegible]

L'instituts comme sous le nom de [illegible] tés, c'est des instituts qui a pour but d'[illegible] Ainsi ces des [illegible] commandés par la [illegible]. Je sais [illegible] les [illegible] de ces [illegible] à, [illegible] les lois sont [illegible] [illegible] [illegible]

Par [illegible]

Par [illegible]

[illegible]

[illegible]

Par [illegible] i m.le.

Par le [illegible] Ed, il est dit que [illegible] ces [illegible] pécuniaires sous le [illegible] ou [illegible], alors ne le sont pas par les [illegible], mais

par les représentants du Cotton Institute, lesquels sont les procureurs des différentes compagnies qui composent cette institution et agissent comme procureurs de ces compagnie devant la Commission du Tarif, voilà pourquoi je les assimile à des avocats.

Par M.le COMMISSAIRE:

Vous dites: agir comme procureur, c'est vague, ce ne sont pas des avocats.

Par Mtre LAJOIE:

Non, ils ne sont pas enregistrés comme avocats, mais ils sont persona grata devant la Commission du Tarif, ils sont reçus au même degré qu'un procureur, et remplissent toutes les fonctions d'un avocats.

Par Mlle COMMISSAIRE:

Ils sont le porte-parole des parties.

Par Me LAJOIE:

Ils exposent la cause, et agissent comme mandataires, mais avec une procuration d'agir pour eux et ils sont procureurs.

Par M.Le COMMISSAIRE:

En d'autres termes ils sont là comme si la compagnie elle même serait là, mais la compagnie n'est pas exemptée de produire ces documents là.

Par Me. LAJOIE:

C'est plus que la compagnie, parce que la compagnie fourni le document, eux ont charge de la cause, font des études, échange avec la compagnie des correspondance au sujet de ce travail, ses études, et des modifications à faire aux demandex, c'est ce qu'on veut avoir, le travail fait entre client et le mandataire. Je soumets que ça revet un caractère confidentiel et privilégié, et que nous trouvons l'explication dans le paragraphe 10.

par les représentants du Dieu Institué, lorsque ils sont les procureurs des différents compagnons qui composent cette institution et qu'ils sont consacrés pour ce ce sacrement devant le tribunal de Dieu, voilà pourquoi je les assimile à des avocats.

Le Juge Lafontaine:

Mais alors, ils sont avocats d'un genre, ce ne sont pas des avocats.

Par Mgr Lafleur:

Non, ils ne sont pas ordinairement comme avocats mais ils sont personnes qualifiées devant la Consistoire du Pape, ils sont reçus au même titre qu'un procureur et remplissent toutes les fonctions d'un avocat.

Par Mgr Gauthier:

Ils sont le porte-parole des parties.

Par Mgr Lafleur:

Ils exposent la cause, et agissent comme mandataires, mais avec une procuration d'agir pour eux et ils sont procureurs.

Par Mgr Gauthier:

Si c'autre homme ils sont là comme si le contrat, ils sont vraiment là, mais le compagnie n'est pas complète et ils ne peuvent pas le faire.

Par Mgr. Lafleur:

C'est plus que le compagnie, parce que la compagnie forme le consistoire, aux ont charge de la cause devant des tribunaux, chargés avec la compagnie des contrôleurs ou ceux qui ne sont pas de ce tribunal, non étrangers, et des modifications à faire aux commandes, alors ce n'est pas avocat, ils [illegible] plus [illegible] de [illegible] et [illegible] de [illegible] et [illegible] de [illegible] et [illegible] l'exécution sous le [illegible].

Par Mlle COMMISSAIRE:

Ici dans cet acte qui gouverne la Commission du tarif, il est dit: qu'un témoignage est reçu, si après que le témoignage est reçu il appert que ce témoignage là, si il était rendu public, pourrait nuire au commerçant, il ne doit pas être rendu public, mais il est reçu avant, et avant qu'il soit reçu on ne peut pas savoir si il est du caractère que vous dites.

Par Mtre LAJOIE

Est-il reçu en audience public.

Par M.le COMMISSAIRE:

La Commission du tarif siège en audience publique, même j'ai siégé moi-même dans une magnifique salle à Ottawa. Comment voulez-vous que je décide d'avance, sans avoir vu vos documents, s'ils sont de ce caractère là. Lorsqu'il appert à la lecture d'un document, s'il est confidentiel, ils sont traités de même, s'ils ne le sont pas, ils ne sont pas traités ainsi. Vous me demandez un cas tout à fait en l'aire, je ne sais pas, tout ce que je sais c'est qu'il s'agit de correspondance, comment voulez-vous que je trancie une situation comme ça.

Par Me LAJOIE:

Nous faisons cette objection avant que le témoignage de Monsieur whitehead commence sur cette question là.

Par M.le COMMISSAIRE:

Soumettez la si vous le voulez, sujet à cette objection, Pour ce qui regarde la publicité je prendrai ça en considération, c'est le plus que je peux faire. Je dois me conformer à la loi générale.

du tarif, il est dit: qu'un témoignage est reçu, si c'est que le témoin est reçu il aurait pas de temps pour le lé, si il était rendu public, comme autre ou comment, il ne doit pas être rendu public, mais il est reçu avant, et avant qu'il soit reçu on ne peut pas savoir si il est du commission que vous avez.

Par Mr. Lucas:

Soit-il reçu en audience public.

Par le Président:

La commission a tout droit siège en audience public même j'ai siège moi-même dans une municipale où je à Ottawa. Comment voulez-vous que je sache d'avance, sans avoir vu vos documents, s'ils sont de ce commission là. Lorsqu'il apparet à la lecture d'un document, s'il est confidentiel, ils sont tout-à-fait de même, s'ils ne le sont pas, ils ne sont pas traités comme. Vous me commandez un ordre à fait on l'ordre. Je ne sais pas, tout ce que je sait c'est qu'il n'est de correspondance, comment voulez vous que je trouve une situation comme ça.

Par Mr. Lucas:

Pour raisons cette objection avant que la témoignage de honneur ministres commence sur cette question là.

Par le Président:

Comment a la si vous le voulez, mais à cette objection. Pour ce qui regarde la qualité de monsieur va en connaissance, c'est le plus que je peux faire. Je dois me conformer à la loi canadienne.

Par Me. LANCTOT:

Une dernière déclaration. D'après les informations qui me sont fournies, la partie de la correspondance à laquelle objection est faite, a été produite devant la Commission du tarif. Pouvons nous aujourd'hui, - c'est un document qui a déjà été produit, ou qui a servi devant la Commission du tarif- pouvons-nous aujourd'hui dire devant le Commissaire: prenez ce document là, lorsque sa production a été faite sous l'immunité du paragraphe 10.

Par M.le Commissaire:

Est-ce que vous êtes bien certain de ça. Il faut voir les documents avant de savoir si ils entrainent l'exemption de la production.

LA CORRESPONDANCE DOIT ETRE PRODUITE.

MRN COMMISSIONER: Mr. McRuer, I am ruling that the correspondance must be produced.

MR. McRUER: Pardon?

THE COMMISSIONER: I am ruling that the correspondance must be produced. If after it is produced and vrought here there appears to be any reason why the whole or any part of it ought to be kept confidential then I will consider that as a separate question.

MR.McRUER: We will deal with that when it arises. I suggest that Mr.Beauregard proceed with the examination of these other witnesses, in the meantime, and I will engage myself in reading this correspondence. I would ask Mr.Whitehead not to go away till we adjourn.

Me. [illegible]:

Une demande d'ajournement, après les informations qui me sont fournies, la partie de la correspondance à Lorette [illegible] en [illegible], n'a pas permis devant la Commission du tarif. Nous nous ajournerait, - c'est un document qui a déjà été produit, ce qui a neuvi devant la Commission du tarif [illegible] qu'il dire avant la [illegible] prendre ce document là, formule un procédure [illegible] tel de sous l'examen du paragraphe 10.

Mr. le Commissaire:

Est-ce que vous êtes bien certain de ça. Il faut voir les documents avant de savoir si ils entraînent l'exemption de la production.

[illegible]

MR. [illegible]: Mr. Morson, I am ruling that the [illegible] be produced.

Mr. Holden: Pardon?

THE COMMISSIONER: I am ruling that the correspondence must be produced. If after it is produced and [illegible] there appears to be any reason why the whole or any part of it ought to be kept confidential [illegible] I will [illegible] a subsequent ruling.

Mr. [illegible]: We will deal with that when it arises. I suppose that Mr. Beauregard proceed with the examination of these other witnesses, in the meantime, and I will endeavor myself in reading this correspondence. I would ask Mr. [illegible] not to go away until we [illegible].

Par Mtre BEAUREGARD:

Je suggérerais que nous commencions l'affaire du Cap de la Madeleine, parce que dans cette affaire-ci je ne crois pas que nous ayions d'autres témoins, si toutefois nous en avons ça sera après la cloture du témoignage de M.Whitehead.

Par Mtre LANCTOT:

Je comparais pour la compagnie Canadian T.S.R. of LYON, en autant que besoin sera, et pour le moment seulement.

M. LE COMMISSAIRE:

Pour le procès verbal voulez-vous faire une courte exposée.

Par Mtre BEAUREGARD:

Je viens d'entendre la comparution de Mtre Lancot. Il me dit comparaitre pour le moment. Je n'ai pas d'objection à sa comparution, sans savoir au juste ce que cela veut dire.

Je comprends que nous sommes ici pour enquêter particulièrement à la fermeture d'un moulin qui porte le nom de Canadian T.S.R. of Lyon, situé au Cap de la Madeleine.

M.le Gérant: Cette fermeture a eu lieu quand?

M. BOELL: Il n'y a pas eu de fermeture mais un arret d'opération, le 4 janvier 1936.

Par M.le COMMISSAIRE: Complètement fermée?

M. BOELL: A demi fermé, mais elle est en train d'être réouverte.

Me. BEAUREGARD: Nous allons procéder bien sommairement.

PAR M.LE COMMISSAIRE: Il s'agit simplement d'examiner les causes de la fermeture.

[illegible]

Je suppose que nous commencons l'article en cap de la Malaisie, puisque nous avons cette et je ne crois pas que nous avions d'autres textes, si toutefois nous en avons, ça sera après [illegible].

[illegible]

[illegible]

T.C.A. et L.M., on voient que [illegible] sera, et pour le moment seulement.

[illegible]

Pour le moment vous voulez-vous le mettre comme appendice.

[illegible]

Je viens d'entendre la conversation de Mme Lamont. Il me dit communiqué pour le compte. Je n'ai pas d'objection à en communiquer, nous savait au juste ce que cela veut dire.

Je comprends que nous sommes lié pour [illegible] particulièrement à la Jamaïque d'un [illegible] qui porte le nom de Canadian T.A.C. of Lyon, et [illegible] au cap de la Jamaïque.

M.le président: Cette formulée a en lieu quelque

M. Brown: Il n'y a pas eu de [illegible] mais un arrêté d'opération, le 4 janvier 1960.

[illegible]

M. Boulin: A deux [illegible], mais elle est en train d'être remaniée.

M. [illegible]

[illegible]

[illegible] les [illegible] de la [illegible].

PHILIPPE BOELL.

Lequel témoin est assermenté:

Interrogé par MTRE BEAUREGARD:

Q M.Boell, quelxx est votre prénom?

R Philippe.

Q Quel est votre âge? R 38 ans.

Q.- Où demeurez-vous? R Trois Rivières.

Q Quelle est votre occupation? R Directeur technique.

Q De quel établissement? R De la Canadian T.S.R. de Lyon.

Q Quel est le commerce de cette maison? R-Manufacture de soirie.

Q Naturelle ou artificielle? R Naturelle et artificielle.

Q Les deux? R Oui monsieur.

Q L'établissement est situé au Cap de la Madeleine?

R Oui monsieur.

Q Dans le comté de? R Champlain.

Q Depuis combien de temps l'établissement existe-t-il? R Depuis 1930, elle a été mise en opération en 1931

Q Depuis combien de temps êtes-vous directeur technique de l'établissement? R Depuis 1931.

Q Combien l'établissement a-t-il employé de personnes dans son plus fort rendement?

R Deux cent cinquante à peu près.

Q Est-ce que l'établissement a fermé ses portes dans le cours de janvier dernier? R Nous avons arrêté les trois équipes, pour marcher avec une équipe de 10 heures, avec un certain nombre de métiers seulement.

[illegible]

Lequel témoin est assermenté :

[illegible]

Q. [illegible] ?

R. [illegible].

Q. Quel est votre nom ? R. [illegible].

Q. Où demeurez-vous ? R. [illegible].

Q. [illegible] ?

R. [illegible].

Q. Et quel est votre métier ? R. Je le [illegible] [illegible] de Lyon.

Q. Quel est le [illegible] ou [illegible] [illegible] ou [illegible] ?

R. [illegible] ou artificielle ? R. [illegible] artificielle.

Q. Les deux ? R. Oui [illegible].

Q. L'[illegible] [illegible] ou [illegible] de la [illegible] [illegible] ?

R. [illegible].

Q. [illegible] ?

Q. Depuis combien de temps l'[illegible] [illegible] [illegible] ? R. Depuis 1900, elle a été mise en opération en 1907.

Q. Depuis combien de temps [illegible] [illegible] [illegible] de l'usine, environ ? R. [illegible] 1912.

Q. [illegible] ?

R. [illegible].

Q. [illegible] ?

R. [illegible].

Q. [illegible] ?

R. [illegible].

Q. [illegible] ?

R. [illegible].

Q. [illegible] ?

R. [illegible].

Q. [illegible] ?

R. [illegible].

Q Nous comprenons que vous aviez alors trois équipes de? R Huit heures.

Q Et qu'en janvier 1936, vous avez arrêté les trois équipes, et que vous avez continué à opérer, à fonctionnet avec une seule équipe, et d'une façon réduite? R Oui, réduite.

Q Nous devons comprendre, que cette réduction a été de combien d'opérateurs, je pourrais dire, par département, par métiers?

R Nous avons continué à marches les cent métiers en opération dans l'usine à 10 heures, nous avons fini un certain nombre de métier, et nous avons continué à marcher sur 50 métiers, au fur et à mesure que le métier finissait.

Q Combien aviez-vous d'employés à ce moment là?

R Nous avons arrêté les trois équipes le 4 janvier, dans la semaine du 11 janvier, nous avons continué sur une equipe, en faisant marcher 50 métiers seulement.

Q Vous en avez combien de métiers? R Cent.

Q Au moment de la fermeture il y avait combien d'employés sur les métiers, combien d'employés par équipe? R Voici maintenant, l'usine du tissage comprend une section de préparation et une section de tissage. Quand nous marchions trois équipes, bien entendu la préparation marchait avec. Au moment de notre fermeture le 4 janvier 1936, il y avait trois équipes, qui comprenaient la préparation, et nous avions à peu près de 202 à 240 employés, comme moyenne.

Q Le 4 tout a fermé complètement, et dans la semaine du 11, vous avez recommencé à ralenti?

Q. Nous voyons dans [illegible] plus alors, Dans [illegible]

607 R. Bien heureux.

Q. Et qu'en janvier 1945, vous avez arrêté les [illegible] quatre, et que vous avez continué à opérer, à [illegible] avec une radio [illegible], et [illegible] [illegible]

R. Oui, [illegible].

Q. Nous savons [illegible], que cette réunion [illegible] en condition d'[illegible]. Je parlerai [illegible], par [illegible] tement, par [illegible]?

R. Nous avons continué à [illegible] les [illegible] en opération dans l'[illegible] à la [illegible], [illegible] [illegible] en contact [illegible] de [illegible], et nous avons continué à [illegible] sur les [illegible], en tout et à [illegible] [illegible] [illegible] [illegible].

Q. Combien avez-vous d'[illegible] à ce moment-là?

R. Nous avons [illegible] les trois équipes [illegible] dans la semaine du 11 janvier. Nous avons [illegible] avec une équipe, en tout et pour moins 20 minutes [illegible].

Q. Vous en avez combien de [illegible]? R. [illegible].

Q. Au moment où la [illegible] il y avait combien d'équipes sur les [illegible], combien d'[illegible] [illegible]?

R. Vers maintenant, l'[illegible] [illegible] [illegible] concerné une [illegible] de [illegible] [illegible] section de [illegible], [illegible] [illegible] [illegible]

Q. Au moment de l'[illegible] [illegible] à la [illegible], il y avait trois équipes, qui commençaient la [illegible] tion, et nous avons à peu près [illegible] à [illegible] [illegible] comme [illegible].

Q. Je à tout à [illegible], et dans la [illegible] mation où il, vous avez [illegible] à [illegible]?

R Oui.

Q Vous avez pas commencé avec la préparation?

R Nous avons commencé une partie, bien entendu, parce que le tissage ne peut pas marcher sans préparation.

Q Vous avez commencé à ralenti à la préparation et au tissage? R Oui,monsieur.

Q Au moment de fermer, combien aviez-vous d'employés dans la préparation? R A peu près 25 à 30.

Q Au moment de la reprise? R Pardon, je me rétracte, j'avais pas compris, au moment de la fermeture des trois équipes, dans la préparation il devait y avoir 70 employés.

Q Combien d'employés ont travaillé au département de la préparation au moment de la reprise? R A peu près une vingtaine .

Q Combien d'employés aviez-vous dans les autres départements,dans le tissage, au moment de la fermeture? R Au moment des trois équipes, dans le tissage et leurs dépendances, il devait y avoir une dentaine d'employés.

Q Et combien d'employés avez-vous engagés ou ont recommencé le travail? à la reprise? R A peu près vingt-cinq à trente.

Q De sorte que sur un total de 200 à 202 employés, après une semaine complète d'arrêt, vous avez recommencé avec environ 50 employés? R A peu près.

Q Sur cinquante employés aviez-vous des chefs de département? R Tous les chefs de département, les gareurs, les contremaitres, les petits contremaitres,etc.,

Q Tous les salariés? R Oui.

Q Ca veut dire combien de monde? R Franchement, nous avons repris par ce personnel là 30 à 40.

Q Et deux qui travaillaient à la pièce ont été mis à pied? R Oui.

Q Quand avez-vous recommencé à prendre des ouvriers travaillant à la pièce? R Oui.

Q Vous en avez repris combien? R Trente à quarante, quarante à quarante-cinq.

Q En avez vous repris d'autres? R Oui, au 15 janvier ou au 15 février nous en reprenions à peu près une vingtaine de plus.

Q En avez-vous repris depuis lors? R Le 22 février au 29 février, nous avons gardé les opérations telles que, c'est à dire avec une centaine d'employés, nous avons refermé à nouveau le 7 mars.

Q Voulez-vous dire complètement? R C'est à dire que nous avons ralenti les opérations, en gardant notre personnel salarié.

Q Le 7 mars?- R Oui,monsieur.

Q Depuis lors? R A partir du 14 mars, nous en avons repris progressivement, jusqu'à nous en sommes à l'heure actuelle, nous avons à peu près 110 à 120 employés.

Q C'est à dire, que vous êtes sensiblement au-dessus de la moitié de votre personnel du moment de la fermeture? R Absolument.

Q Voulez-vous dire quelles sont les raisons pourquoi votre établissement a fermé ainsi à deux reprises, d'abord lors de la première fermeture du 4 janvier 1936? R Bien, nous avons fermé le 4 janvier 1936, en ce qui nous concernant, parce que nous n'avions pas d'ordres.

— Ce vat t'être ennuyeux de savoir ? Je vous[illegible] vous avons [illegible] que ce nouveau [illegible] à 10 ½ ce.

— Mais sais-tu travailleront à la pêche ou [illegible] ma à cheval? — Oui.

— Quand avez-vous recommencé à prendre des [illegible] travailleront à la pêche? — Oui.

— Vous en avez parlé ensemble? — Pourquoi ? [illegible] quelque à [illegible].

— Si nous vous [illegible] ? — Oui, si il pouvait ou si il [illegible] en [illegible] à [illegible] une vingtaine de [illegible].

— Si nous avez-vous [illegible] ? — Si [illegible] Trois ou [illegible], nous avons [illegible] les [illegible] [illegible], c'est à dire avec des [illegible] [illegible] nous [illegible] à [illegible] la [illegible].

— Vous [illegible] ? — [illegible] à [illegible] [illegible] nous avons [illegible] les [illegible], [illegible] [illegible] [illegible].

— [illegible] ? — [illegible] à [illegible] la [illegible] ? — Absolument.

— Voulez-vous dire [illegible] [illegible] [illegible] voulez [illegible] à [illegible] [illegible] [illegible] ? — Oui, nous [illegible] à [illegible] 1860, on ce qui nous [illegible], [illegible] que [illegible] l'[illegible].

Q Pourquoi n'aviez-vous plus d'ordres. Si vous le savez? R Moi, ma foi, je préfèrerais ne pas discuter la question. Réellement ça s'attache plutot au bureau des ventes.

Q Est-ce parce que vous ne voulez pas le dire ou si vous ne le savez pas? R Ma foi, nous avons pas eu d'ordres, parce que le bureau des ventes n'a pas pu prendre d'ordres. Quelles sont les raisons je l'ignore.

Q Vous êtes idi directeur technique, autrement dit, vous êtes ici pour la production? R Oui.

Q Est-ce que la maison Canadian T.S.R. a un bureau à Montréal? R Un bureau de ventes et de direction à Montréal.

Q Le siège social à Montréal, est à Montréal?

R A Montréal, Oui, monsieur.

Q Et l'usine est au Cap de la Madeleine? R Oui.

Q Vous vous êtes directeur technique, c'est à dire chargé de la production au Cap de la Madeleine?

R C'est ça.

Q Vous ne faites pas de ventes? R Non.

Q Faites-vous des achats? R Quelques achats, pas des achats de matériel, de matières.

Q Des achats de quoi? R D'outillage, pour la marche de l'usine.

Q Vous n'achetez pas la matière première? R Non.

Q Est-ce de la soie naturelle du japon ou de la soie artificielle? R De la soie naturelle du Japon et de la soie artifielle venant de Cornwall, Ontario.

Q L'usine a fermé faute de commandes, mais vous êtes pas en état de dire pourquoi les commandes

4 Voulez-vous dire d'abord, M. [illegible]
la [illegible]? R. Oui, me voici. Je [illegible]
ne pas discuter la question, malheureusement, [illegible]
[illegible] en [illegible] des [illegible]

5 Lui-ce parce que vous ne voulez pas le dire [illegible]
si vous ne le savez pas? R. Mais oui, [illegible]
[illegible] et d'abord, [illegible] la [illegible]
n'a pas pu [illegible] d'[illegible]. Nous [illegible]
de l'[illegible].

6 Pour [illegible] [illegible], [illegible]
dit, vous étes [illegible] pour la [illegible]? R. Oui.

7 Lui-ce que la [illegible] [illegible] [illegible] [illegible]
[illegible]? R. [illegible]
[illegible] à [illegible].

8 Le [illegible] [illegible] à [illegible], [illegible] à [illegible]
R. A [illegible], [illegible].

9 Où l'[illegible] [illegible] [illegible] de la [illegible] à [illegible]

10 Vous vous [illegible] [illegible], [illegible] à
[illegible] [illegible] la [illegible] [illegible] [illegible] de la [illegible]
R. C'est ça.

11 Vous ne [illegible] [illegible] [illegible]? R. Non.

12 [illegible] [illegible]?
[illegible] [illegible] [illegible] [illegible], [illegible]
[illegible] [illegible] [illegible].

13 Vous n'[illegible] [illegible] [illegible] [illegible] [illegible]
R. Lui-ce [illegible] la [illegible] [illegible] [illegible] [illegible]
[illegible]? R. [illegible] [illegible] [illegible] [illegible]
[illegible] et de la [illegible] [illegible] [illegible] [illegible]
Ontario.

14 L'[illegible] [illegible] [illegible] [illegible], [illegible]
[illegible] [illegible] [illegible] [illegible] [illegible] [illegible]

ont subitement arrêté? R Non.

Q C'est Montréal qui pourra le dire? R Oui.

Q Qui est-ce qui pourrait nous dire ça?

R Le Colonel Evan, en charge de nos ventes.

Q Voulez-vous s'il vous plait donner son nom, son prénom? R W. Evan.

Q Son adresse? R Mayor Street, c'est connu sous le nom de Evan and Evan.

Q Vous dites que M.Evan de la maison Evan & Evan c'est votre agent de vente de la maison? R Oui.

Q Monsieur Evan, à part d'être agent de ventes de la maison, est-il autre chose? R Il est directeur gérant.

Q Qui est le président de la compagnie?

R M.Beaubien.

Q Qui est le secrétaire? R M. Mouton.

Q Qui est M.Beaubien? R M.Joseph Beaubien.

Q Le secrétaire, c'est M.Mouton? R Oui.

Q Le premier nom de M.Mouton? R Je ne pourrais dire.

Q Quel est le capital souscrit de la compagnie?

R Ma foi, je ne pourrais pas dire ça, je crois que vous aurez les renseignements à Montréal.

Q Est-ce une compagnie fédérale, provinciale, le savez-vous? R Provinciale, je crois.

Q Comme comptabilité, quelle espèce de comptabilité tenez-vous ici? R Nous avons la comptabilité de matière et le pay-role.

Q En fait de pay-role, avez-vous apporté ça?

R Oui, nous avons tous les renseignements.

Q Voulez-vous exhiber le pay-role? R Nous avons apporté les pay-roles depuis le début de 1931. Ces pay-roles nous sont utiles, mais si vous

ont qualifiment prédit? R. Non.

Q. O'est Monsieur qui parle le plus? R. Moi.

Q. Qui est-ce qui pourrait nous dire ?

Q. Le général Drum, ou Monsieur de Montigny?

Q. Voulez-vous s'il vous plaît répéter ?

R. W. Drum.

Q. Non ancienne? R. Depuis février, et

comme nous le nom de Drum qui était.

Q. Vous dites M. Drum ou le Général Drum ?

O'est votre opinion ou vous en êtes sûr? R. Oui.

Q. Maintenant, à part d'être l'ami de vos

ou le moins, est-il exact? R. Il est

exactement exact.

Q. Qui est le président de la commission?

R. Le Prince.

Q. Qui est le président? R. Le Prince.

Q. Et le Président? R. Le Prince Gustave.

Q. Le secrétaire, c'est exact? R. Oui.

Q. Le premier nom de M. Gustave?

R. Gustave.

Q. Quel est le grade actuel de la commission?

R. Le Prince, le de Montigny et le Prince

que vous avez les [illegible] à Montreal.

Q. Quelle est [illegible] ?

R. [illegible]

Q. Quand commence [illegible]

Q. Quand commence la vie, quelle partie de la vie

Lili Dunsmuir ? R. Vous voulez le commencement

de ses vie et de son [illegible].

Q. Le fait de [illegible]

R. Je pense avoir lu les [illegible]

Q. Quelle [illegible] ? R. Dans

[illegible] Dunsmuir [illegible] en

1901. Son [illegible] [illegible], mais il [illegible]

le voulez, nous pourrons vous fournir des doubles, c'est tout le pay role depuis 1931. Maint nant nous avons les cartes pour chaque employé.

Q Je comprends qu'à part des listes de payes que vous exhibez depuis 1931? R Oui,monsieur.

Q Vous avez à part de ça des fiches concernant chaque employé? R Oui.

Q Voulez-vous exhiber ces fiches? R Ces fiches ont été mise en vigueur qu'à partir de 1934, pour se conformer à la loi provinciale quant au salaire minimum.

Q Je comprends que vous exhibez maintenant les fiches que vous appelez, fiches d'emploi de tous les employés? R Qui travaillent actuellement ou qui travaillaient avant la fermeture.

Q Vous avez là dedans nombre de fiches qui ne travaillent, de gens qui ne travaillent pas actuellement? R Oui,c'est ça.

Q Pouvez-vous produire à la Commission ces fiches? R Non, mais on peut vous en faire des doubles, parce qu'ils nous sont utiles, on peut vous donner des doubles, ou un relevé de toutes ces fiches.

Q Je comprends que cette fiche là, la fiche que je vous exhibe est un carton, sur lequel apparait d'abord le nom de l'employé, son adresse, la date de sa naissance, son âge, l'identification s'il est marié ou non, son employ précédent, et la durée pendant laquelle il a eu son emploi? R Oui.

Q La fiche indique ensuite la date de son entrée à l'établissement, la nature de son employ. Il y a rien indiquant le taux de paiement de son travail, les modification du taux,la date de la modification,

la cause du renvoi s'il y a lieu? R Oui.

Q Avec une place pour remarques, R Oui.

Q Quand à celle-ci elle est pour un nommé Eugène Allard. La mention du salaire qui lui a été payé pour son travail, avec indication de l'année, du mois, du jour de la paye, du nombre d'heures de la paye et le montant reçu? R C'est ça.

Q Je ne vois pas pour le moment le taux de son travail indiqué. En haut au verso de la feille- et au bas de la feuille qui finit avec l'année 1935, vous avez quand à celui-ci du moins un total d'heures qui est de 1854 heures, qui donne un total de salaire de $588.75, avec ce que je suppose être la moyenne à l'heure de 31 cts et soixante-quinze milièmes. Vous avez des fiches comme ça pour tous les employés?

R Oui.

Q En constatant que cette fiche finie avec l'année 1935, si vous vouliez la laisse à la commission, vous auriez les fiches de 1936? R 1936, nous n'avons pas pu commencer encore, parce que nous avons travaillé que quelques semaines, mais à toutes les payes une entrée est faite.

Q Vous devez avoir la fiche de 1936 qui est commencée? R Oui.

Q Vous avez besoin des fiches précédant 1936?

R Oui.

Q De 1935? R Non.

Q Vous voudrez donc les produire en liasse comme exhibit?

PAR MTRE LANGTOT

Q En avez-vous besoin comme records?

R Nous en avons besoin comme recorâ, en ~~xxxxx~~ autant que le salaire minimum nous oblige, exige ces cartes.

PAR M.LE COMMISSAIRE: Mais si nous avions des doubles.

PAR MTRE BEAUREGARD:

Q Voudrez-vous produire un double de ces fiches d'employés, et vous le produirez à date avec les fiches de 1936? R Nous pouvons faire une récapitulation, qui serait la même, et qui donnerait beaucoup moins d'ouvrage.

PAR MTRE BEAUREGARD:

J'aime assez cette formule-ci, parce qu'elle est bien concrète,et nous dispensera d'enquêter davantage.

PAR MTRE JANUET:

Si vous faites un tableau de la même façon, avec un blanc de la carte.

Par M.LE COMMISSAIRE: Si nous avions une copie du modèle comme ça, avec les ~~xxxxxx~~ détails ce serait aussi bien.

PAR MTRE BEAUREGARD:

Q Voudrez-vous nous donner un échantillon de la fiche d'emploie,et ensuite les détails?

R Les détails de chacune de ces cartes.

Q Avez-vous une correspondance?

R Nous n'avons pas de correspondance.

Q Avez-vous de la correspondance concernant la fermeture, comment vos ordres vous sont-ils parvenus? R Ma foi, quand nous n'avons plus d'ordres, nous avons prévenu le bureau de Montréal que nous n'avions pas d'ordre, et que nous ne pouvions plus opérer à trois équipes, et nous

R Nous en avons assez comme ça, on pourra
mettre que le maximum nous coûte, crisse
ma sacrée.

MR R.LE PRÉSIDENT: Mais si nous avions des modèles
MR MARC BOUCHARD:

Q Voudrez-vous produire un modèle de vos frères
d'employés, et vous le procurer à date avec les
dames de Jésus? R Nous pouvons faire une
réorganisation, qui coûte le moins, et qui convienne
beaucoup mieux à l'employé.

MR PAUL DOUCET:

J'aime assez cette formule-ci, parce qu'elle
est bien concrète, et nous rapproche d'exemples
concrets.

MR PAUL CRAIG:

Si vous faites un tableau de le même façon,
avec un blanc de la carte.

MR ALAN CUNNINGHAM: Si nous avions une copie
du modèle comme ça, avec les remarques détaillées
[illegible]

MR MARC BOUCHARD:

Q Voudrez-vous nous donner un échantillon de la
[illegible]

R Ils seraient de chez nous en son certain.

Q Avez-vous une correspondance?

R Nous n'avons pas de correspondance.

Q Avez-vous de la carte-chèque concernant le
[illegible] Pourrait-il produire
[illegible]? R Ma foi, quand nous n'avons
pas d'argent, nous avons trouvé la manière de
[illegible] Montréal que nous n'avions pas d'argent, et que nous
ne voulions plus opérer à trois équipes, et nous

avons reçu instructions de régler notre production.

Q Avec qui avez-vous communiqué? R Avec le colonel Evan.

PAR M.le COMMISSAIRE:

Q Avez-vous un stock ici? R Très peu.

Par MTRE BEAUREGARD:

Q A quelle date avez-vous reçu cette communication téléphonique du colonel Evan? R Nous avons conservé à ce sujet à plusieurs reprises, nous avons téléphoné n'est-ce pas, je dirais dans la première semaine de janvier.

Q Vous même n'avez pas été avisé longtemps avant de fermer? R Non.

Q Si vous avez fermé le 4 de janvier et vous avez communiqué avec le Colonel Evan dans la première semaine de janvier, vous n'avez pas été avisé de l'opportunité de fermer, bien longtemps avant de fermer?

R Non, parce que nous avions toujours l'espoir de tenir l'usine en operation, par des ordres qui nous arriveraient.

Par Mtre BEAUREGARD:

Dans ces circonstance, qu'il plaise à la Cour, nous devrions d'avance, fixer de continuer l'examen dans cette affaire-ci à Montréal, en assignant les personnes qui pourraient répondre, quant à la fermeture.

Par M.le COMMISSAIRE: La question qui nous intéresse n'est pas encore resolu.

PAR Mtre BEAUREGARD: Le témoin n'est pas compétent pour donner les explications que nous désirons.

Par M.le COMMISSAIRE:

Est-ce que vous avez des témoins à faire entendre?

Par Mtre BEAUREGARD:

J'ai quelques témoins concernant les ouvriers, et sous la réserve de faire entendre Monsieur Boell à Montréal, si necessaire, je procéderai à l'examen de quelques témoins, les ouvriers.

ET LE DIT TEMOIN NE DIT RIEN DE PLUS.

-o-o-o-o-o-o-o-o-o-o-o-o-o-o-

PATRICK PRESCOTT.

Lequel témoin est assermenté:

Interrogé par Mtre BEAUREGARD:

Q Monsieur Prescott, quel est votre âge?

R Trente-deux (32) ans.

Q Où demeurez-vous? R Au Cap de la Madeleine.

Q Quelle est votre occupation? R Je travaille au tordage.

Q Vous êtes employé au moulin de soie, de confection de noirie de Lyon? R Oui.

Q Et votre occupation, vous êtes employé au tordage?

R Oui, monsieur.

Q Est-ce un travail mécanique? R C'est un travail manuel.

Q Qu'est-ce que vous tordez comme ça? R Un fil sur un autre, lorsque la chaine est fini sur un métier, on laisse un certain bout de fil, on attache une chaine, et on la passe sur le métier pour être tissée.

Q Vous raposez le fil sur le métier pour que le tissue soit confectionné par le métier? R Oui.

Sir Mtro. Dallemand:

J'ai quelques bonnes connaissances les ouvrier's, et nous le reserve ce serre autanne Nouvelle Doell à Montreal, si nécessaire, je procederai à l'examen de quelques tableaux, les oeuvres.

J'ai [illegible] par air lors de [illegible].

Interrogatoire

Sous-ministre [illegible]

Q. [illegible], pour qui votre bureau

R. Pour [illegible] (Sen. [illegible]).

Q. Où [illegible]?

R. Au [illegible] de la [illegible] au tableau.

Q. Quelle est votre occupation? R. Je travaille au tableau.

Quel [illegible] en moyenne le mois, de commerce de [illegible] de quoi? R. Oui.

Q. Le [illegible] commercial, vous êtes employé au tableau [illegible].

R. [illegible].

Q. [illegible]? R. J'ai [illegible] travail commun.

Q. Qu'est-ce que vous tirez comme [illegible]? R. Un [illegible] au [illegible]. Lorsque je commence une fois sur un [illegible], on [illegible] un certain [illegible] de fil, on [illegible] [illegible], et on [illegible] sur le [illegible] pour être [illegible] tableau.

Q. Vous [illegible] le fil sur le [illegible] pour que le [illegible] [illegible] Q. Oui.

Q Combien d'heure travaillez-vous par jour?

R Actuellement dix heures par jour.

Q Ca veut dire depuis combien de temps ça?

R Depuis trois semaines.

Q A quel salaire travaillez-vous là? R Je suis payé à l'heure.

Q A combien de l'heure? R 46 cts de l'heure, exactement 45 cts et 89 centièmes.

Q Depuis trois semaines avez-vous travaillé plein temps? R Plein temps.

Q Avant les trois semaines, combien d'heures travailliez-vous? R Huit heures par jour.

Q Vous étiez sur une équipe de huit heures?

R Oui, monsieur.

Q Travailliez-vous de jour ou de nuit? R De jour.

Q Au même travail que vous faites là?

R C'est à dire qu'auparavant je tissais, j'ai travaillé sur les métiers.

Q Avant la dernière fermeture vous étiez tisseur?

R Oui.

Q Sur la soie naturelle ou artificielle? R Naturelle.

Q A quel salaire? R Au même salaire.

Q Depuis combien de temps travaillez-vous à ce salaire de 45 sous? R Depuis l'an dernier.

Q Auparavant quel salaire aviez-vous? R 40 cts de l'heure auparavant.

Q Depuis l'année dernière, c'est à dire depuis mars 1935? R Je travaille depuis octobre 1935 à 46 cts.

Q C'est depuis octobre 1935 que vous travaillez

à votre salaire actuel? R Oui,monsieur.

Q Avant ça vous aviez 40 cts de l'heure?

R Oui,monsieur.

Q Vous faites ce travail là depuis tantot quatre ans? R Oui monsieur.

Q Avez-vous eu un salaire moindre ou plus élevé que 40 cts? R Moins.

Q Combien? R J'ai commencé à 36 cts, je crois, je ne me rappelle pas.

Q Quand, voilà quatre ans, quand vous avez commencé? R En 1934.

Q Alors avant 1934, quel salaire aviez-vous?

R 33 cts de l'heure.

Q Avez-vous eu d'autres salaires que ça? R Non.

Q Vous avez commencé à 33 cts? R Oui.

Q Et du moment que vous avez eu commencé avez-vous toujours eu du travail, de l'emploi, sans arrêt?

R Pratiquement.

Q Comment? R C'est à dire, cet hiver, depuis que l'usine a ralenti, j'ai perdu 5½ jours depuis le 4 janvier, j'ai fait deux semaines de trois jours.

Q Vous être contremaitre? R Non,simple employé.

Q Vous n'avez perdu que cinq jours? R Oui, monsirur.

Q Combien y a-t-il d'employés de votre catégorie, employés au tordate? R Seulement que quatre.

ET LE DIT TEMOIN NE DIT RIEN DE PLUS.

Q Vous avez vu quelque chose?

R Oui, monsieur.

Q Pouvez-vous nous dire ce que vous avez vu?

R Je ne me souviens pas.

Q Avez-vous eu un accident mortel ou plus d'une 40 etc?

R Jamais.

Q Combien? R J'ai commencé à 55 ans, j'ai conduit, je ne me souviens pas.

Q Bien, voici quatre ans, quand vous avez commencé?

R Alors depuis 1954, qui suivait avant-vous?

R 55 ans de l'heure.

Q Avez-vous eu d'autres accidents que 40? R Non.

Q Vous avez commencé à 55 ans? R Oui.

Q Et au moment que vous avez eu ce dommage avec-vous bu ou du travail, de l'alcool, aucun alcool?

R Pas du tout.

Q Merci. Depuis la journée à midi, j'ai pris deux 2 bonnes bière à 4 heures. J'ai fait deux semaines de trois jours.

Q Vous n'avez rien que cela journée? R Oui, monsieur.

Q Question 3 a-t-il d'employés le votre occupant [illegible] R seulement que quatre.

Q [illegible]

ADRIEN PERRAULT.

Lequel témoin est assermenté:

INTERROGE PAR MTRE BEAUREGARD:

Q Quel est votre âge Monsieur Perrault?

R Vingténeuf ans.

Q Etes-vous marié? R Oui,monsieur.

Q Avez-vous des enfants? R Oui,monsieur.

Q Vous demeurez où? R Au Cap de la Madeleine.

Q A quel numéro? R 9 rue Latreuil.

Q Où travaillez-vous? R A la Canadian T.S.R.

Q A la soirie? R Oui,monsieur.

Q Quel est votre genre de travail? R Je suis tisseur.

Q Sur combien de métiers travaillez-vous?

R quatre métiers.

Q Depuis combien de temps travaillez-vous sur quatre métier comme ça? R Depuis deux ans, trois ans.

Q Depuis combien de temps travaillez-vous à la compagnie? R Depuis 1932.

Q Quel était votre travail avant il y a deux ans? R Machiniste.

Q Vous répariez les machines? R J'étais faiseur de poinçons.

Q Vous étiez dans une partie de l'usine où on fabrique les outils? R Oui,monsieur.

Q Etes-vous entré là comme machiniste? R Non.

Q Comme quoi? R Apprenti ourdisseur.

Q Combien de temps avez-vous été apprenti-ourdisseur? R Quelques mois peut être.

Q A quel salaire? R Au salaire minimum.

Q C'est combien? R $6.05.

Q Après ça quel salaire avez-vous eu? R Ils m'ont donné le salaire de l'ouvrier à la pièce.

Q Comme ourdisseur? R Oui.

Q Combien de temps avez-vous été ourdisseur?

5 R Je ne peux pas dire, à peu près un an peut être.

Q Quel était votre moyenne de vos payez, comme ourdisseur? R Je peux pas répondre là dessus.

Q Vous ne savez pas combien vous receviez en

10 moyenne, à combien s'élevaient vos payes?

R Ca dépend, quand on travaille plein temps.

Q Vos payez plein temps étaient de combien à peu près? R $12.00 $13.00.

Q Par semaine? R Oui monsieur.

15 Q Ou par quinzaine? R Par semaine.

Q Comme ouvrier ordinaire?- R Oui.

Q A plein temps? R Oui.

Q Ca remonte à quelle année là? R Peut-être en 1933-1934.

Q Perdiez-vous beaucoup de temps généralement?

20 R Pas une affaire effrayante.

Q Combien à p u près? R Je ne peux pas dire.

Q Si vous receviez comme pleine paye, $12.00 $13.00 par semaine, vous devez savoir si vous aviez habituellement $12.00, $13.00, $8.00, $9.00?

25 R Ca varie ça.

Q Combien aviez-vous? R On a eu même jusqu'à $4.00 par semaine.

Q Vous voulez dire que vous avez retiré $4.00, $6.00, $10.00, $12.00, $13.00? R Oui, peut être

30 plus, une semaine je retire ce montant là et l'autre semaine on le regagne.

Q. D'où comptez-vous ? R. Je compte.

Q. Après le quel prix voulez-vous ouvrir ? R. Je n'ai pas compté le salaire de l'ouvrier à la pièce.

Question de fait. - Réponse.

Q. Combien de temps avez-vous été malade ?

R. Je ne peux pas dire, à peu près un an peut être. Je ne peux pas répondre de vos comptes, mais certainement ? Je peux répondre à ceux que j'ai.

Q. Vous ne savez pas combien vous recevrez en réponse, à Lundin et Cie ?

R. En réponse, quand on travaille plus longtemps.

Q. Vous payez plus tôt ceux qui ne commencent à leur prix ? Réponse.

Q. Par semaine ? R. Deux semaines.

Q. Qu'en pensez-vous ? R. Pas assez.

Q. A plein temps ? R. Oui.

Q. Où remonte à quelle année ? R. Pour-être en 1902-1903.

Q. Pouvez-vous lui donner la somme correspondante ?

R. Pas une simple dépense.

Q. Combien à ? R. Je ne peux pas dire.

Q. Si vous recevez comme plusieurs, $15.00 $10.00 par semaine, vous savez savoir si vous avez moins du temps ? $20.00, $18.00, $20.00, $20.00, $8.00 ?

R. Je vais le ?

Q. Combien avez-vous ? R. Un a eu moins jusqu'à $4.00 par semaine.

Question. Réponse avec prix de $4.00, $6.00, $10.00, $14.00, $18.00 ? R. Oui, vous étiez plus, une semaine je pense ce moment là et l'une semaine on le reçoit.

Q Après avoir été ourdisseur vous êtes devenu tisseur? R Oui,monsieur.

Q Depuis deux ans? R Oui,monsieur.

Q Quelle est la moyenne de votre salaire depuis deux ans? R 35 cts de l'heure à peu près.

Q Quelle est la moyenne ordinaire de vos payes, par semaine? R $16.00 en montant.

Q Par semaine?- R Oui,monsieur.

Q Avez-vous perdu beaucoup de temps depuis janvier dernier? R J'ai perdu la valeur de quatre semaine à peu près.

Q Vous avez recommencé quand, vous, ils ont fermé en janvier? R J'ai perdu deux semaines je crois, après ça j'ai rentré et j'ai perdu trois semaines.

Q Vous avez perdu deux semaines le premier coup et trois semaines du second coup? R A peu près ça.

Q Depuis combien de temps travaillis -vous de façon continue? R Depuis deux semaines passées.

Q Combien y a-t-il de tisseurs, employés actuellement chez vous? R Quinze à vingt, peut être, une quinzaine toujours.

Q Vous travaillez dix heures par jour? R Oui.

Q Seulement de jour? R Oui,monsieur.

Q Prenez-vous vos repas à l'usine? R Non.

Q Y a-t-il une place pour manger à l'usine?

R Oui,monsieur.

Q Quelle espèce de place? R Une salle avec des tables et des chaises.

Q Combien grande la salle? R La moitié d'ici dedans, peut être plus grand.

Journal 4.

Après avoir fait [illegible] dans [illegible]
[illegible] R. Oui, monsieur.

Quelle est la mesure de votre salaire journalier? R. De six à vingt-[illegible]

Quelle est la mesure de votre salaire journalier? R. Oui, monsieur.

Quelle est la mesure de votre salaire journalier? R. De six à vingt-[illegible]

Quelle est la mesure de votre salaire journalier? R. Oui, monsieur.

Vous travaillez [illegible] R. Oui, monsieur.

Avez-vous [illegible] de temps [illegible] vous [illegible]? R. J'ai payé la valeur de quatre [illegible] à mon père.

Vous avez [illegible], vous, [illegible] Tomas [illegible]? R. J'ai [illegible] [illegible] [illegible], mais je j'ai remis et j'ai payé [illegible] [illegible].

Vous avez [illegible] les [illegible] [illegible] et trois [illegible] de [illegible]? R. A [illegible] [illegible].

Depuis combien de temps travaillez-vous [illegible]? R. [illegible] [illegible] [illegible].

Combien y a-t-il de travailleurs, employés actuellement chez vous? R. [illegible] à vingt, [illegible] [illegible].

Vous travaillez six heures par jour? R. Oui, [illegible].

[illegible] R. [illegible].

Fumez-vous [illegible] à l'usine? R. Non.

Y a-t-il une place pour manger à l'usine?

R. Oui, monsieur.

Quelle espèce de place? R. Une salle avec des tables et des chaises.

Combien [illegible] la salle? R. La moitié d'ici [illegible], peut être plus grand.

Q Est-ce q 'il y a une place pour mettre les habits? R Oui,monsieur.

Q Est-ce dans cette salle là? R Dans le département voisin.

Q Est-ce fermé? Ce n'est pas là où se trouvent les moulins?- R Non.

Q C'est en dehors? R Oui.

Q C'est une salle spéciale? R Oui monsieur

PAR MTRE LANCTOT:

Q Depuis les deux dernières années, vous êtes tisseur,n'est-ce pas? R Oui,monsieur.

Q Depuis 1934,1935? R Oui monsieur.

ET LE DIT TEMOIN NE DIT RIEN DE PLUS:

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MADEMOISELLE ANTOINETTE CHAPUT:

Lequel témoin est assermenté:

INTERROGE PAR Mtre BEAUREGARD:

Q Quel est votre âge? R Vingt-un ans.

Q Vous demeurez à quel endroit? R Au Cap de la Madeleine.

Q Vous travaillez-où? R A la Canadian T.S.R.

Q Quelle est votre occupation? R Sur le cannetage.

Q Vous faites des fuseaux? R Oui monsieur.

Q De petits fuseaux? R Oui monsieur.

Q De petites canettes? R Oui monsieur.

Q Vous avez deux métiers, un métier, combien en avez-vous à surveiller? R Dans le moment je travaille au cannetage, d'habitude ce n'est pas là, je surveille simplement.

(suite)

Q Est-ce qu'il y a une chose sur laquelle vous insistez

plus?

R Pas particulièrement.

Q Avez-vous deux cartes ici? R Deux le

gouvernement provincial.

Q Qu'est-ce donc? Je n'ai pas vu de document

sur moi-même? R Non.

Q Vous en donnerai. R Oui.

Q C'est une qui la vendait? R Oui monsieur

Q Depuis les deux dernières années, vous êtes

directeur, n'est-ce pas? R Oui, monsieur.

Q De mai 1964 à 1967? R Oui monsieur.

Q Et du 1er février au 1er mai 1967

Longueuil terminé avant midi.

Interrogatoire du maire Pierre Bourque:

Q Quel est votre âge? R Trente-un ans.

Q Vous demeurez à quel endroit? R Au sud de

la rivière Ste.

Vous travaillez-où? R A la Brewing Z.S.T.

Q Quelle est votre occupation? R Sur le

[illegible]

Vous faites des [illegible]

Q Au Parti Vanguard? R Oui monsieur.

Q Au poste [illegible]? R Oui monsieur.

Vous avez deux cartes, un [illegible], [illegible]

[illegible]-vous à [illegible]? R Dans la [illegible]

de Varennes [illegible], [illegible] [illegible]

[illegible] Varennes [illegible].

Q Ordinairement, vous être contremaitre? R Oui.

Q Mais pour le moment vous êtes ouvrière? R Oui.

Q Pour le moment vous avez combien de métiers?

R Quarante broches.

Q C'est à dire que vous faites quarante cannettes à la fois? R Oui.

Q Ce sont des canettes de soie? R Oui.

Q Naturelle ou artificielle? R Artificielle.

Q Combien travaillez-vous d'heures par jour?

R Dix heures.

Q Etes-vous payé au jour ou à la pièce?

R On est payé à l'heure.

Q Combien de l'heure mademoiselle? R 22 cts de l'heure.

Q Quand vous étiez contremaitre quel salaire aviez vous? R 22 cts de l'heure.

Q Les ouvrières que vous surveilliez ordinairement, combien reçoivent-elles pour le même travail?

R $8.00, $9.00, $10.00 par semaine, ça dépend combien elles font.

Q Pour ce travail là? R Oui, monsieur.

Q C'est à dire qu'elles sont à la production, à la pièce? R Oui monsieur.

Q Combien de machines ont-elles à surveiller?

R Quand c'est sur la soie naturelle, on a 60 machines, sur l'artificielle 40.

Q Vous voulez dire 60 broches? R Oui, monsieur.

Q Est-ce tous sur la même machine ça?

R Sur trois machines.

Q Une machine a 20 broches? R Oui.

Q 60 machines veulent dire, ou 60 broches veulent dire, trois machines? R Oui, monsieur.

Q Généralement, vous êtes continuellement? R Pas
Q Mais pour le moment vous êtes arrêté? R Oui
Q Pour le moment vous avez commencé de travailler
Q pendant la guerre.
Q C'est à dire que vous êtes, quelques centaines
à la fois? R Oui.
Q Ce sont des centaines de jours? R Oui.
Q Naturelle ou artificielle? R Artificielle.
Q Combien travaillez-vous d'heures par jour?
R Six heures.
Q Etes-vous payé au jour ou à la pièce?
R On est payé à l'heure.
Q Combien de l'heure maximum reçoit? R 42 cts
de l'heure.
Q Quand vous êtes sortis quelles heures
avez vous? R 42 cts de l'heure.
Q Les ouvrières, que vous avez actuellement,
ment, combien vous vont-elles pour le même travail?
R 40.00, 40.00, 41.00 par semaine, ça dépend
Q Pour ce travail là? R Une moyenne.
Q C'est à dire qu'elles sont à la pièce?
à la pièce? R Oui monsieur.
Q Combien de machines ont-elles à surveiller?
R Deux c'est sur le métier automatique, ce n 30
Q Vous voulez dire 30 broches? R Oui monsieur
Q Ses broches sont la même chose que?
R Non trois métiers.
Q Les machines [illegible] R Oui.
Q 30 machines veulent dire, ou 30 broches veulent
dire, trois machines? R Oui monsieur

Q Depuis combien de temps travaillez-vous à l'usine?

R Depuis le 11 août 1930.

Q Depuis combien de temps êtes-vous contremaitre?

R Ca doit faire 3½ ans à peu près.

Q Avant vous vous occupiez à quoi? R Je travaillais sur le cannetage.

Q Quel était votre salaire quand vous étiez ouvrière?

R $10.00 à $12.00 par semaine.

Q Vous étiez experte? R Oui, monsieur.

Q Quand l'usine a fermé en janvier, combien y avait-il d'employés au cannetage? R Il y avait seulement que moi.

Q Au moment de la fermeture? R Oui.

Q Mais avant de fermer? R On était trois filles et moi.

Q Trois ouvrières et vous? R Oui, monsieur.

Q Vous étiez contremaitre et vous travailliez sur les métiers ou si vous ne faisiez que surveiller?

R Je surveillais, et j'emplissais les cannes et les planches.

Q Vous préparez la besogne des autres? R Oui.

Q Vous distribuiez l'ouvrage? R Oui, monsieur.

Q Combien de temps avez-vous été sans emploi à cause de la fermeture? R Une semaine.

Q Vous avez recommencé en faisant l'ouvrage de vos ouvrières? R Oui, monsieur.

Q Seul? R Oui.

Q Et actuellement vous êtes encore seule?

R Non j'ai une ouvrière avec moi.

Q Autrefois il y avait trois ouvrières et vous étiez chargée de les surveiller et d'alimenter leur travail et aujourd'hui vous travaillez seul avec une ouvrière? R Oui, monsieur.

ET LE DIT TEMOIN NE DIT RIEN DE PLUS.

DEMOISELLE ALEXANDRA BOISVERT.

LEQUEL témoin est assermenté:

INTERROGE par Mtre BEAUREGARD:

Q Quel est votre âge Mademoiselle Boisvert?

R Dix-neuf ans.

Q Vous demeurez où? R Au Cap de la Madeleine.

Q Quel est votre ouvrage? R Dans le bobinage.

Q Depuis combien de temps faites-vous ce travail là? R Depuis cinq ans monsieur.

Q C'est à dire depuis que vous travaillez à l'usine? R Oui.

Q Quel est votre salaire actuel? R Je retire $11.00 à $12.00 par semaine.

Q Sur quelle base êtes-vous payée, êtes-vous payé à l'heure ou à la quantité? R A la livre, ça fait à peu près 19 cts de l'heure.

Q Vous êtes payée à la livre? R Oui.

Q Est-ce que vos machines enrégistrent la pesanteur, comment est-ce que se pèsne, avez-vous un aperçu de la quantité? R On va les porter à la balance, ils les pèsent et on a tant de la livre.

Q Combien y a-t-il d'employés qui font ce travail comme vous? R Dans le moment on est sept.

Q Est-ce vous qui est contremaitre de ce département là? R Non Monsieur.

Q Vous n'êtes pas contremaitre? R Non.

Q Vous travaille combien d'heures par jour?

R Dix heures par jour.

Q Quand vous étiez sur des équipes de huit heures, vous aviez, ou vous avez travaillé? R Une secousse.

Q Travailliez -vous de jour? R Oui, on travaillait seulement que de jour sur notre ouvrage.

Ladies, Gentlemen and Brethren:

I WISH to put some questions:

Q. Quel est votre âge Bénévole lecteur?

R. Six-neuf ans.

Q. Vous souvenez-vous? R. Je ne sais ou je suis né.

Q. Quel est votre occupation? R. Mais je suis un

Q. Jusqu'à quelque ou vous travaillez-vous à travail?

R. Je travaille dans une manufacture.

Q. Qu'est à dire travaillez à l'usinage? R. Oui.

Q. Quel est votre travail ordinaire? R. Je travaille

Q. Je travaille sur [illegible].

Q. Que à l'heure ou j'ai travaillé? R. Je travaille

Q. Mais à quel prix ils ont de l'heure.

Q. Pour [illegible] à la i vue? R. Oui.

Q. Avez-vous vu quelques ouvriers qui pensent

[illegible], [illegible] [illegible] par [illegible],

[illegible] de la [illegible]? R. On va les [illegible] à

[illegible], ils les [illegible] et un à tout de la [illegible].

Q. Question 3 a-t-il d'autre [illegible] que [illegible] [illegible]

[illegible]? R. Dans le [illegible] on est [illegible].

Q. Avez-vous vu [illegible] [illegible] [illegible]

[illegible]? R. Non Monsieur.

Q. Vous n'avez pas [illegible]? R. Non.

Q. Vous [illegible] [illegible] [illegible]

R. Six heures par jour.

Q. Quand vous étiez [illegible] [illegible] [illegible]

vous avez. Ou vous avez travaillé? R. Des [illegible]

Q. [illegible] [illegible] [illegible]? R. Oui, [illegible]

[illegible] [illegible] [illegible] [illegible] [illegible].

Q Que faites-vous à part de ça? R On est toujours sur le bobinate, toujours sur le même ouvrage, il y en a pas qui travaille de nuit.

Q Vous ne travailliez que de jours et huit heures par jour? R Oui, monsieur.

Q C'est à dire que vous aviez le même prix de l'heure qu'aujourd'hui? R Oui, à peu près, ça dépendait de la soie qu'on travaillait.

Q Travaillez-vous sur la soie rayon ou naturelle? R Artificielle.

Q Est-ce que vous aviez dans certains cas moins que 19 cts de l'heure? R On a été une secousse qu'on avait un peu moins.

Q Quand? R Il y a deux ans.

Q Vous aviez combien dans ce temps là? R On avait à peu près 12 cts de l'heure.

Q Et il y a deux ans de ça? R Oui.

Q Est-ce que vous avez monté de 12 cts à 19 cts, d'une seule fois, d'un seul coup? R Non, on a eu 17 cts, 15 cts, ça dépendant de la soie qu'on faisait.

Q Il y en a qui est plus difficile l'une que l'autre à travailler? R Elle est plus petite elle casse moins.

Q Avez-vous dit combien d'ouvrières, font le même travail que vous? R Sept.

ET LE DIT TEMOIN NE DIT RIEN DE PLUS.

0-0-0-0-0-0-0-0-0-0-0-

Ne faites-vous à peu près de juge? R. Je suis
jouer au le bobineté, toujours sur le même
Y on a pas qui travaille à moité.

Q. Vous ne travaillez que de jour à moitié
pas jour? R. Oui, monsieur.

Q. C'est à dire que vous avez la moitié de
l'heure qu'on jour? R. Oui, à peu près;
dépend de la main qu'on travaille.

Q. Travaillez-vous sur la nouvelle machine
R. artificielle.

Q. Ne-ce pas vous avez fait du travail sur la
19 cts le l'heure? R. Je a été une programme
qu'on avait ma jour moitié.

Q. Comment? R. Il y a deux mois.

Q. Vous avez commencé dans ce jours là? R. Je
avait à peu près il est le l'heure.

Q. Et il y a deux mois ça? R. Oui.

Q. Dites-moi que vous avez monté de 19 cts à 19 cts
d'une seule fois, d'un seul coup? R. Non, je a eu
il est, il est, je travaille la moitié qu'on travaille

Q. Il y en a qui ont pris diminuée l'une que
l'autre à travailler? R. Elle est plus petite
elle [illegible].

Q. Avez-vous fait commencer d'apprendre, fait le
même travail que vous? R. Non.

Q. Et les autres ne fait rien que [illegible].

FORTUNAT BEAUMIER.

Lequel témoin est assermenté.

INTERROGE PAR MTRE BEAUREGARD:

Q Monsieur Beaumier, où demeurez-vous? R Au Cap de la Madeleine.

Q Quelle est votre occupation? R Greffier de la cité.

Q Comme greffier de la cité, avez-vous eu connaissance de la fermeture du moulin de la T.S.R. de Lyon? R Pour en avoir entendu parler.

Q Avez-vous l'évaluation du moulin? R C'est à dire j'ai un extrait du role d'évaluation.

Q Montrez-moi le donc?

Par M.le COMMISSAIRE:

Qu'est-ce que c'est?

Par Mtre BEAUREGARD: C'est une copie du role d'évaluation de l'usine.

Q Est-ce que ça nous intéresse?

PAR MTRE BEAUREGARD: C'est pour connaitre, pour savoir si la compagnie a eu des avantages, c'est un préliminaire sur les arrangements financiers.

Par M.le COMMISSAIRE: Sur les commutations de taxes.

Par Mtre BEAUREGARD: Oui.

Q Je constate que l'évaluation du terrain ici est de $18.800.00 les bâtisses $68.485, la machinerie $27.000. le tout est évalué en conséquence à $113.965.00? R Oui monsieur.

Q Et il y a une commutation de taxes de 70%

R Oui, monsieur.

Q De ce montant là autrement dit, l'usine ne paye de taxes que sur $79775.00? R Oui monsieur.

Q Elle paye taxes que sur $34.190? R Absolument.

-Examen croisé-

Général Simpson est toujours ici.

Le Général Les Frères Simpson Ltée.

Q. Monsieur Simpson, où travaillez-vous? R. Au Crédit de la Société.

Q. Quelle est votre position? R. Chef des ventes au crédit.

Q. Comme président de la Société, avez-vous de pouvoir de la trouver sur le bilan de la S.L.S. de 1930? R. Oui et aussi comptes spéciaux.

Q. Avez-vous l'intention du montrer? R. Oui.

Q. Dans l'état du crédit du mois d'janvier.

Q. Montrez-moi le livre?

Me Lucien Gendron: Il est sous la main d'un huissier de l'Ontario.

Q. Qu'est-ce que c'est?

Me Lucien Gendron: Il est sous la main d'un huissier de l'Ontario.

Q. Qu'est-ce que c'est?

Me Lucien Gendron: Il est sous la main d'un huissier de l'Ontario.

Q. Qu'est-ce que c'est? R. C'est mes comptes, pour savoir si la comptabilité a été deux avec moyen, c'est un préliminaire aux les comptes financiers.

Me Lucien Gendron: Sur les comptabilités de Monsieur Lucien Gendron: Oui.

Q. Je constate que l'évaluation de l'actif sur les comptes de $10.000.00 à la balance $25.000, la marchandise $27.000. Le tout est réduit en conséquence à $12.000.000.

Q. Si il y a une diminution de bonne dette?

R. Oui.

Q. Ce mouvement à surprend du, l'on-ne ne sera de $[illegible] par [illegible] R. Oui en dehors.

Q. Cette somme taxée sur $24.000? R. Non.

PAR Mtre LANGTOT:

Q Elle paye les taxes scolaires en plus? R Oui.

PAR MTRE BEAUREGARD:

Q C'est une commutation sur les taxes foncières, municipales? R Oui.

Q Pour combien de temps est faite cette commutation? R Dix ans, à partir du...

Q A partir de quand? R A partir du 1er février 1929.

Q C'est au moment où c'est ouvert? R Oui, à la date où le règlement est venu en force.

Q Est-ce que la munifipalité a aidé l'usine d'autre façon? R Pour l'achat du terrain.

Q Qu'est-ce qui est arrivé concernant l'achat du terrain. Avez-vous le règlement? R Oui, j'ai une copie certifiée du règlement.

Q Voulez-vous produire l'extrait du role d'évaluation du Cap de la Madeleine, concernant l'usine en question, comme pièce 122, et voulez-vous également annexer à cette copie certifiée du role d'évaluation, copie certifiée d'un règlement du Cap de la Madeleine, portant le No.115 des règlements de la ville du Cap de la Madeleine? R Oui,monsieur.

Q Est-ce qu'il est prévu là ce à quoi la compagnie s'engageait? R Oui,monsieur.

Q Il y a des engagement réciproques, de la compagnie et de la cité, qui y sont enregistrées?

R Dans le préambule.

Q Qui se lit comme suit:

"" Province de québec. Cité du Cap de la Madeleine.

" Règlement No.115: Règlement concernant l'établisse-

[illegible]

Mlle pays les taxes scolaires en plus? R Oui.

[illegible]:

Q. C'est une connaissance sur les taxes foncières, non seulement? R. Oui.

Q. Pour combien de temps avez-vous cette connaissance? R Six ans, à partir du...

Q. A partir de quand? R A partir du 1er [illegible] 1913.

Q. C'est au moment où c'est ouvert? R Oui.

Q. A la date où le règlement est venu en force.

Q. Est-ce que la municipalité a mis l'usine d'outre ?, ou? R Pour l'usage du terrain.

Q. Qu'est-ce qui est arrivé comme usage l'usage du terrain. Avez-vous le règlement? R Oui, j'ai une copie certifiée du règlement.

Q. Voulez-vous produire l'extrait du rôle d'évaluation du quai de la Reine, concernant l'usine en question, comme pièce [illegible], et voulez-vous également annexer à cette copie certifiée du rôle d'évaluation, copie certifiée d'un règlement du Quai de la Reine concernant la modification de la valeur du quai de la Reine? R Oui, monsieur.

Q. Est-ce qu'il est prévu là ce à quoi la compagnie s'engageait? R Oui, monsieur.

Q. Il y a deux engagements réciproques, de la compagnie et de la ville, [illegible]

R Dans la [illegible].

Q. Qui se lit comme suit:

"Province de Québec, Cité du Quai de la Reine

Règlement No.[illegible]; Règlement concernant l'utilisation-

"ment dans les limites de la cité d'une manufacture de "soie naturelle et autres différents produits par M. "Claude Denis et ses associés, représentant une so-"ciété ou corporation à être formée par eux-mêmes et "d'autres personnes et leur accordant certains privilèges "par lettre du 5 Déc. 1928."

Q.4 Rendu à ce moment-ci, dois-je comprendre que vous avez reçu une lettre du 3 décembre 1928, préliminaire à ce règlement? R Oui, monsieur.

Q L'avez-vous ici? R J'ai l'original ici et j'ai une copie.

Q Voudrez-vous attacher à votre règlement la copie de la lettre qui est référé au règlement? R Oui.

Je continue.

" Attendu que M.Claude Denis et leurs associés, ci-dessous nommés la "Société" ont représenté au conseil de la Cité du Cap de la Madeleine, ci-dessous nommé "Le Conseil" qu'ils se proposent d'ériger et d'exploi-"ter une usine dans les limites de cette cité, que cette "société donnera de l'ouvrage à un grand nombre de per-"sonnes.

"Attendu qu'il faudra acheter le terrain néces-"saire pour ouvrir une rue autour de la propriété qu'oc-"cupera la société et que le dit terrain coutera la "somme de $5.000.00.

"Attendu qu'il faudra niveller, terrasser et "cendrer ou pierroter la dite rue, ce qui demandera "une somme de $5.000.00;

"Attendu qu'il est nécessaire de construire "une conduite d'aqueduc et ses accessoires, la somme de " $4.650.00;

"sont dans les limites de la cité d'une manière
"sera modifiée et rendue différente par l'
"Ginette Dania et ses associés, représentant une
"cités se rapportant à deux lettres du sub-sous-
"d'entre personnes et leur respectivement
"par lettre du 5 X.2. Lect. "

Q.* Demeurant à ce moment-ci, dites-le nous
vous avez reçu une lettre du 5 décembre 1948, publi-
quement à ce moment? R. Oui, monsieur.

Q. Il vous-vous lit? R. J'ai l'original lui
j'ai une copie.

Q. Voudriez-vous attendre à votre représentant la
de la lettre qui est revenu au représentant? R. Oui,
je continue.

" Attendu que Ginette Dania et leurs associés
sé-dessous comme le "Nouvelle" ont représenté au c
seil de la Cité du Cap de la Madeleine, ci-dessous
"le conseil" qu'ils se proposent d'ériger et d'exploi
"ter une usine dans les limites de cette cité, que ce
"société donnée de l'ouvrage à un grand nombre de
personnes,

"Attendu qu'il faut ne laisser le droit
"exclusif aucun autre de la propriété qui
"appartenait la société et que le dit terrain contenu
dans le [illegible]

"Attendu qu'il faudra nivéler, tirer et
[illegible] la cité, ce qui nécessite
[illegible] dans de [illegible]:

"Attendu qu'il est nécessaire de construire
[illegible] et des [illegible], la somme de
[illegible]

"Attendu qu'il est nécessaire de construire "un drain $5,940.00;

"Attendu qu'il est nécessaire de prolonger le "système d'alarme au cout de $1500.00;

"Attendu que les frais du présent règlement se- "ront de $910.00.

"Attendu que ces différents montants forment "la somme de $23.000.00.

"Attendu que les dits prolongements d'aqueous "et d'égouts ont été approuvés par le bureau d'Hy- "giène de la Province.

"Attendu que la dette de la cité est la suivante: "A- La somme de $167917.06 du sur le règlement No.54. "B- La somme de $43400.00 du sur le règlement No.71. "C- La somme de $27000.00 du sur le règlement No.78. "D- La somme de $232400.00 du sur le règlement No.99. "F- La somme de $73900.00 du sur le règlement No.100. "G- La somme de $19800.00 du sur le règlement No.103

" Sur proposition de l'Echevin M.Edmond "Gautier; Secondé par l'Echevin M.Ernest Houle.

" Il est ordonné et statué ce qui suit à savoir:

"1.- Une commutation de taxes est accordée à " M.M.Claude Denis & ses associés et ses successeurs. " Elle sera de soixante et dix pour cent des taxes " annuelles payables par la dite société sur tous ses " établissements situés dans les limites de cette cité. " Excepté les résidences.

"2.- La compagnie devra employer au moins 200 "mains par jour d'ouvrage et donnera la préférence à "la main d'oeuvre de cette cité.

" 3.- La société devra manufacturer dans la "dite cité des tissus de soie et toutes les industries

"Attendu qu'il est nécessaire de compléter
"les lois de la cité;

"Attendu qu'il est nécessaire de prolonger la
"durée d'élection du maire de Hull.Qu';

"Attendu que les frais de poursuites résultant de
"cause de plaintes,

"Attendu que les (illegible) Environ
"la somme de 2,000.00.

"Attendu que les dits procès-verbaux d'assemblée
"et d'opposés ont été approuvés par le Conseil d'Ex-
"piées de la municipalité.

Attendu que la dette de la cité est la suivante
"A- la somme de 4,000.00 du par le (illegible) No.4.
"B- la somme de 4,000.00 du par le (illegible) No.7.
"C- la somme de 4,000.00 du par le (illegible) No.6.
"D- la somme de 4,000.00 du par le (illegible) No.5.
"E- la somme de 4,000.00 du par le (illegible) No.12.
"F- la somme de 4,000.00 du par le (illegible) No.11.

" Sur proposition de l'échevin A.Lemoyne
"seconded" appuyé par l'échevin R.Bonar Voilà.

" Il est résolu et arrêté ce qui suit à savoir:

"1.- Une assemblée de taxes est ajournée à
" (illegible) jusqu'à ce que les lignes de cette cité
" soient les réclamées.

Elle vous de prolonge et les sur sont les taxes
" annuelles exigibles par la cité soient sur tous ces
" propriétaires dans les limites de cette cité
" soient les réclamées.

"2.- Le maire pour cette employer en somme 400
" par jour d'avance et donnée la différence à
la cause d'envoyé de cette cité.

" 3.- La cour de cette municipalité dans la
" cité et ce qui tiennent à cette les industrie

qui se rattache à ce genre de manufacture et mainte-
"nir ces usines en opération pour dix ans.

"4.- La présente commutation est valable pour
dix ans à compter du premier février 1929.

"5.- Si la compagnie suspend ses opérations pour
"une période de plus de douze mois, elle perd le privi-
"lège présentement accordé et paiera ses taxes en plein
"sur ses propriétés.

"6.- Au cas où la compagnie ne commencerait pas
"ses opérations et la construction de ses usines dans
"les douze mois des présentes, le présent règlement
"deviendra nul et de nul effet.

"7.- L'eau devra être vendu à la société par me-
"sure de taux de 12½ centins du mille gallons, le meter
"étant la propriété de la Cité.

"8.- La Cité devra maintenir un chemin carros-
"sable en tout temps de l'année pour atteindre les
"propriétés de la Compagnie.

"9.- La Cité ne pourra permettre à d'autres usi-
nes de tissage de soie naturelle de s'établir dans
"ses limites pour la période du dit règlement.

"10.- La Cité est autorisée à emprunter la
"somme de vingt-trois ($23.000) mille piastres au
"moyen d'obligations de 5% d'intéret par an payable
"semi annuellement, les quelles obligations seront
" datées du premier février et seront remboursables tel
" que montré à l'article 16 pour payer la somme ci-dessus.
" Les obligations seront payables au porteur au
"bureau de la Banque Canadienne Nationale au Cap de
"la Madeleine et au bureau de la même banque à Trois
"Rivières, Québec et Montréal au chois du porteur. Ce-
pendant chaque obligation pourra être rendue nominative

d'où ils se rétablissent à ce point de ravitaillement et ne
'mis ces moyens en service ils sont bien sûrs.

"4.- Le prétexte ouvertement avoué pour
'lix non à empêcher le pétrole iranien.

"5.- Si le gouvernement anglais ne
une période ex post de même sorte, elle perd la
"ligne stratégique essentiel et alors nous lions en
'par ces moyens.

"6.- Si nous ne la conservons ne concessions
"des opérations et la construction de nos propres
"les zones mais nous nous, le résultat infiniment
"bénéfiques mal et ne mal agit.

"7.- Il nous faut être vendu à la concéd par
"sans de tout de l'ai contrôle du mille, pétrolier, la mer
"tant la possibilité de le dire.

"8.- Le dite cette nationalisation un choix entre
"ceux de tout tous de l'avoir pour attendre les
"ce intérêts de la Grande.

"9.- Le Nil ne nous permettre à d'autre
"ment de tirer le sole naturelle de n'avoir pas
"des limites pour le mieux du ministère.

"10.- La dire est ouvrée à commencer le
"monde de vingt-trois (23.000) mille ouvriers
"ration d'huile-plume le 24 d'avant par un opérée
"ment nouvelle. Les pétrole [illegible]
" ouvrés en tonnage par les seront [illegible] le
" due contre à l'opérée le nous avant la somme [illegible]
" les [illegible]

"[illegible] de la longue [illegible] [illegible] en [illegible] de
"le [illegible] et en [illegible] de la même longue à [illegible]
"[illegible] de l'intérêt en [illegible] d'entreprendre
"[illegible] [illegible] [illegible] [illegible]

"selon les prescriptions de la loi.

"11.- Chaque obligation sera remboursable tel "qu'indiqué par l'article 16 à partir du premier février "1930 et durant 40 ans.

"12.- Chaque obligation portera intéret au taux "de cinq pour cent l'an payable le premier février et "le premier d'août de chaque année au bureau de la "Banque Canadienne Nationale tel que mentionné ci-dessus.

"13.- Il sera annexé à chaque obligation des cou-"pons représentant les intérets des obligations. Ils "porteront le même numéro que l'obligation à laquelle "ils sont attachés.

"14.- Les obligations porteront la signature du maire, la contre-signature du greffier et le sceau "de la municipalité.

"15.- La signature du maire et la contre-signature du greffier pourront être graves et litographiée "sur les coupons.

"16.- Le tableau suivant donne les échéances "par année, le capital non remboursé, le montant d'in-"téret, le capital payable conformément aux articles "qui précèdent et il indique de plus le numéro des "obligations de chaque série et échue et à racheter "chaque année respectivement. "

Mtre Beauregard: Suit le tableau des dates d'échéance, du capital remboursé, intéret, capital rachat, total, etc.,.

Je continue:

" 17.- Il est imposé par le présent règlement "chaque année sur tous les biens fonds imposables de la municipalité une taxe spéciale suffisante "pour rencontrer les dits intérets payables semi-an-

selon les prescriptions de la loi.

"11.- Une ou obligation sera remboursable tel
qu'indiqué par l'article 11 lorsque le prêteur
aura et ouvert 45 sous.

"12.- Chaque obligation portera intérêt au taux
de cinq pour cent l'an jusqu'à la première échéance et
le produire d'abord de chaque année au bureau de la
Banque nationale Hellénique tel que mentionné ci-dessus.

"13.- Il sera pourvu à chaque obligation des coupons
pour représentant les intérêts des obligations. Ils
porteront la même date que l'obligation à laquelle
ils sont attachés.

"14.- Les obligations porteront la signature du
maire, le secrétaire-trésorier et le gérant
de la municipalité.

"15.- La présente ou moins et la contre-signature
sera un certificat portant être gravés et lithographiés
sur les coupons.

"16.- Le Trésorier devra donne les coupons
par année, le coupon non remboursé, le montant d'in-
térêt, le coupon spécial spécifiant une mention
qui précédent et il indique de plus le numéro des
obligations en ordre numérique et comme et à numéroter
une série de coupons.

"Les Commissaires: Sont le trésorier des Ecoles d'Ottawa
le surintendant, [illegible], [illegible] [illegible], [illegible]
[illegible].

Du [illegible]:

"17.- Il est imposé par le présent règlement
[illegible] une taxe [illegible] [illegible]
de la municipalité une taxe [illegible] [illegible]
[illegible] [illegible] [illegible]-

"nuellement et la partie du dit emprunt à chaque
"échéance annuelle.

"18.- La dite taxe sera imposée d'après le role
"d'évaluation en vigueur chaque année et sera perçue
"de la manière des taxes ordinaires.

"19.- La vente des obligations aura lieu de la
"même manière que prescrite par la loi.

"20.- Le maire et le Greffier sont autorisés à
"signer tous les documents nécessaires pour l'exécution
"du présent règlement.

"21.- Le présent règlement deviendra en force
"suivant les formalités de la loi et les règlements
"de la cité.

" FAIT et passé au Cap de la Madeleine ce
"dix-septième jour du mois de décembre 1928.".

Par Mtre BEAUREGARD:

Q Et cette somme de $23.000.00 a été donnée à
la société? R.- ....

Par Mtre LANGTOT: Ce sont des dépenses que la ville
a faites pour préparer le plan plus l'usine.

PAR MTRE BEAUREGARD: La ville a déboursé la somme
de $23.000.00 mentionnée au règlement? R Oui monsieur.

PAR MTRE LANGTOT:

Q Pour les fins d'en arriver à préparer le site,
mais ce site est resté propriété municipal? R Oui.

PAR MTRE BEAUREGARD:

Q C'est à dire que dans les $23.000.00 le cout
du terrain est inclus? R Oui monsieur.

Q Est-ce qu'il y a eu d'autres avantages finan-
ciers que la compagnie a bénificié, à part ceux
dont le règlement parle? R Pas à ma connaissance.

[illegible]ment et le partie en fait ensemble à chacune [illegible].

"16.- Le site à une nous impose d'après le rôle d'évaluation en vigueur cinqcents ans et sept pour la municipalité des terres ordinaires.

"17.- La vente son est [illegible] sous lieu de la même manière que prescrits par la loi.

"18.- Le maire et le greffier sont autorisés à signer tous les documents nécessaires pour l'accomplissement régulier.

"19.- Le présent règlement devient en force suivant les formalités de la loi et les réglements de la cité.

"Fait et passé en sur le bureaux de Sainte-Hélène pour du mois de décembre 1948."

M. [illegible] comme ce $25.000.00 a été donnée à la société? R.- ....

Par lieu la NCMT: Ce sont des dépenses que la ville a faites pour préparer le plan pour l'usine.

Par M. ROLLANDEAU: La ville a donné ce la somme de $25.000.00 mentionnée en réglement? R Oui monsieur.

Par lieu LAMONT:

Pour les fins d'en arriver à prendre le site, le site est toute propriété municipale? R Oui.

D'est à dire que sous les $25.000.00 le sont [illegible] Sainte-Hélène? R [illegible].

Sont-ce qu'il y a eu d'autres avantages financiers que la commune a bénéficié, à part ceux [illegible] le réglement? R Pas à ma connaissance.

Par Mtre LANGTOT: Le règlement parle par lui même.

PAR M.LE COMMISSAIRE:

Q Est-ce que la ville a fait quelques réclamations?

PAR MTRE BEAUREGARD:

Q La ville n'entend pas exercer de recours ou ne se plaint pas que la compagnie n'a pas exécutée sa part d'obligations?

R Non en aucune façon,il y a aucune réclamation.

PAR MTRE LANGTOT:

Q La compagnie paye ses taxes scolaires en entier?

R C'est pour le municipal ça.

Q Est-ce que vous ne collectez pas la taxe scolaire aussi? R Non monsieur.

Q Avez-vous des taxes spéciales? R Non, tout est inclus là.

Q Vous n'avez qu'une taxe générale? R Une taxe générale,oui.

ET LE DIT TEMOIN NE DIT RIEN DE PLUS:

-o-o-o-o-o-o-o-o-o-o-

MADEMOISELLE ANITA BOIVIN.

Lequel témoin est assermenté:

Interrogé par Mtre BEAUREGARD:

Q Mademoiselle Beaudoin quel âge avez-vous?

R Vingt-cinq ans.

Q A quel endroit demeurez-vous? R Au Cap de la Madeleine.

Q A quelle adresse? R Rue St.Irénée.

Q Mademoiselle où travaillez-vous? R A la Canadian T.R.S.

Q C'est l'usine de soie, ça? R Oui,monsieur.

[illegible]

Q Est-ce que la ville a fait quelque règlement [illegible]

R [illegible]

Q La ville n'aurait pas concédé de ressources ou [illegible] ne pouvait pas que la compagnie n'a pas exécuté un [illegible] port d'hydro-électrique?

R Non, on croyait tout, il y a toujours règlement [illegible]

Q La compagnie avait des taxes courantes en retard

R C'est sur le municipal, oui.

Q Est-ce que vous se souvenez que la taxe municipale [illegible]

R Non, [illegible]

Q Avez-vous des taxes à collecter? R Non, [illegible] ont inclus là.

Vous n'avez aucun, vous municipal? R Une [illegible] municipale, oui.

Et la [illegible] [illegible]

[illegible]

Logical [illegible] and [illegible]:

Interest [illegible]

Q [illegible]

R [illegible]

Q A quel montant [illegible]? R [illegible] la [illegible].

Q [illegible] R [illegible].

Q Quelque chose of [illegible]? R à la Question [illegible].

Q [illegible] R [illegible].

Q Quel est votre travail? R Je travaille au dévidage.

Q Sur une machine? R Oui,monsieur.

Q Qu'est-ce que vous faites. Vous surveillez cette machine là? R On prend la soie....

Q Vous recevez la soie en écheveau et la déposer sur un dévidoir? R Oui monsieur.

Q Et de sur le dévideur et le pase aux bobines? R Oui.

Q Vous surveillez ces machines là? R Oui.

Q Combien d'écheveaux avez-vous par machine?

R Soixante.

Q Combien de machine surveillez-vous? R Une.

Q Vous êtes payée sur quelle base? R Sur une base de 21 sous de l'heure.

Q Vous n'êtes pas à la quantité? R A la pièce, mais on est payée sur une base de 21 sous de l'heure.

Q L'ensemble de votre travail revient à 21 cents de l'heure? R Oui.

Q Vous voulez dire quand vous ne perdez pas de temps? R Oui, quand on marche plein temps notre base est de 21 cts de l'heure, et même quand on fait pas plein temps notre base est de 21 cts pareil.

Q Parce que c'est la loi du salaire minimum des femmes? R Non, on travaille à la pièce, d'abord je vais de $10.00 à $12.00, pour 48 heures par semaines.

Q Depuis combien de temps êtes-vous là, travaillez-vous là? R Quatre ans.

Q Depuis quatre ans, vous, le travail que vous faites, c'est au dévidage? R Quatre ans.

Q Combien d'employés font de travail là ?

1865 Miles Eldridge.

Avez-vous votre journal? R. Je crois que oui.

Où vous en procurez? R. Oui, quelquefois.

Quand-on vous donne quelque. Vous recevrait-ce ce matin-là? R. Je crois que oui....

Vous recevez Il ciel au Canada et la dépêche de Montréal?

Je ne sais pas si quelque c'est de même sur Montréal? R. Vous recevrait-ce ce matin-là? R. Oui.

Quand-on dépêche-vous-nous les nouvelles?

Je ne sais.

Quelqu'un de Montréal-Canada? R. Non.

Vous êtes venu au Canada avant? R. Non, mais je suis de Montréal.

Vous avez été à la guerre? R. A la guerre, mais on est venu pour nous prendre de Montréal.

Pourquoi ne va-t-on travailler à Montréal de l'heure?

R. Oui.

Vous voulez dire quand vous ne pouvez pas le trouver? R. Oui, quand on marche plus vite dans ce cas-ci de la vie de l'heure, et nous quand on dit que plus lentement nous avons eu de la chemin parti.

Pouvez-vous dire si les Américains nous connaissent? R. Non, ce dépendre à la grâce.

Quand je marche plus à Montréal, il marche pas comme.

Je ne le connais ce temps-là, Montréal.

Quelle question, Vous, le plus de que vous avez, quand on Savoir? R. Oui.

Comment d'habitude vous de trouvait là?

R On est six sur chaque dévidage.

Q Douze employées dont six dans chaque catégorie?

R Oui.

Q Vous êtes contremaitre? R Non.

Q Avant vous travailliez sur l'équipe de dix heures, et aujourd'hui vous êtes sur une équipe de huit heures?

R Oui, six de six heures du matin à deux heures de l'après midi.

Q Vous travailliez le soir de ce temps là, lors des équipes de 10 heures? R Oui.

Q Aviez-vous un temps fixe pour manger? R Non, mais on avait le temps de manger en travaillant.

Q Vous mangiez sur l'ouvrage? R Oui.

Q Pendant la période de huit heures? Oui.

Q Quand vous travailliez sur l'équipe de dix heures aviez-vous un temps déterminé pour manger? R Oui.

Q Vous alliez diner chez vous le midi? R Oui.

Q Preniez-vous une heure pour diner? R Oui.

Q Et autrefois vous mangiez en travaillant? Oui.

Q Est-ce que c'était l'usage dans la maison de faire ça? R Pour ceux qui travaillaient huit heures.

Q Les employées de huit heures mangeaient en travaillant? R Oui monsieur.

Q N'était général? R Oui monsieur.

Q Avant la relache, avant qu'on suspende le travail en tout ou complètement, combien y avait-il d'employées au dévidage? R Ca dépend de la soie qu'on fait, ~~xxxxx~~ quand c'est de la soie naturelle on est moins d'employées, on surveille plus de broches, quand c'est de la soie artificielle on a cinquante broches, et la soie naturelle on a

Q. Du soit six son charge travailler.

A. Donne employée dont six heure charge ordinairement.

Q. Pour quoi combien? R. Deux.

Q. Avant votre travailler, sur l'opinion de six heures et seulement vous êtes sur une équipe de huit ouvriers? Oui, sur de six heures travailler à deux heures de l'après midi.

Q. Votre travailler le soir de ce temps là? Lors des équipes de 12 heures? R. Oui.

Q. Avant-vous un temps plus peut manger? R. Non, mais ce avant le temps de manger ou travailler.

Q. Vous mangiez sur l'ouvrage? R. Oui.

Q. Quand le premier de huit manger? Oui.

Q. Quand votre travailler sur l'opinion de six heures avant-vous un temps déterminé pour manger? R. Oui.

Q. Vous aller. Alors quand vous le mangiez? R. Oui.

Q. Depuis-vous une heure pour manger? R. Oui.

Q. Et depuis à vous marché en travaillant? Oui.

Q. Que-ce que c'était l'ouvrage dans la maison de Farm, et? R. Pour ouvrir et travailler machines.

Q. Pour employer de huit heures seulement en travaillant? R. Oui monsieur.

Q. Etait régulier? R. Oui monsieur.

Q. Avant le même, avant qu'on commence à travail en tout en semaine, combien y avait-il d'employés en moyenne? R. De chaque de la sole qu'on fait, mais qu'on a'est en la sole machine ou est en rs d'employés, en moyenne plus de bonnes, comme d'est de la sole stationnaire on a ordinairement trente, et le sole mobile on a

cent broches.

Q Vous avez plus de broches sur la soie naturelle que sur la soie artificielle? R Oui, monsieur, on a cent broches.

ET LE DIT TEMOIN NE DIT RIEN DE PLUS.

-o-o-o-o-o-o-o-o-o-o-o-

EUCLIDE McLAREN.

Lequel témoin est assermenté.

Interrogé par Mtre BEAUREGARD:

Q Quel âge avez-vous? R Cinquante - quatre ans et six mois.

Q Où demeurez-vous? R Au Cap de la Madeleine.

Q Où travaillez-vous? R A la Canadian T.S.R. au Cap de la Madeleine.

Q Quel est votre emploi? R Je suis chef mecanicien.

Q Vous êtes chef mécanicien? R Oui monsieur.

Q Depuis combien de temps? R Trois ans à peu près.

Q Vous avez toujours été chef? R J'ai toujours été chef.

Q Combien d'employés avez-vous sous votre controle? R A l'heure actuelle on est cinq.

Q Avec vous? R Oui, j'ai le controle de la vapeur à part de la machine shop.

Q Vous avez la boutique et vous avez la vapeur? R Oui monsieur.

Q Alors il y a cinq hommes avec vous? R Oui, monsieur.

Q Avant la relache aviez-vous plus de monde que

ça? R Oui, on avait plus de monts que ça.

Q Combien? R Trois ou quatre de plus.

Q Maintenant vous gagnez combien par semaine?

R $31.65.

Q Par semaine? R Oui,monsieur.

Q Etes-vous à la semaine ou à l'heure? R A la semaine.

Q Beau temps mauvais temps, $31.65? R C'est toujours pareil.

Q Votre travail a été suspendu pendant la relache?

R Non monsieur.

Q Avez-vous fait d'autre travail depuis que vous êtes là? R Non,monsieur.

Q Vous êtes mecanicien depuis ce temps là? R Oui.

Q Les autres employés sous votre tutelle, sous votre controle, combien ont-ils de machines, ou plutot combien gagnent-ils eux autres? R A peu près 32 cts, actuellement ils gagnent à peu près $15.00 par semaine.

Q Les employés sous votre controle? R Oui.

Q Qu'est-ce qu'ils font? R Ils sont chauffeurs et ont soin de l'entretien de la batisse.

Q Ils ont soin de l'entretien du matériel? R Des planchers seulement.

Q Et de la fournaise? R Oui,monsieur.

Q Dans la boutique qu'est-ce qu'ils font les mecaniciens avec vous? R Je suis seul.

Q C'est vous qui êtes l'équipe? R Oui.

Q Avant la relache, vous aviez une équipe de plus que maintenant? R On a dû travailler pour l'amélioration des machines, il fallait des personnes

R Oui, on avait plus de monde que ça.

Combien? R Trois ou quatre de plus.

Maintenant vous rappelez compter par exemple?

R. Non.

Par exemple? R Oui,normalement.

Etes-vous à la semaine ou à l'heure? R A la semaine.

Deux trois nouvelle venue, n'est-ce pas? R C'est tout.

Votre travail a été ensuite pendant la moisonnet?

Non normalement.

Avez-vous été quelque temps avant comme chef de vous

Etes là? R Non,jamais.

Vous étiez monsieur en chemise de temps là? R Oui.

Les autres employés en sous vêtements, sous vêtements, quelque chose de ressemble, on plutôt comme ça? R A peu près

Ils ont travaillé avec moi? R Oui.

Les employés sont venus contrôler R Oui.

Qu'est-ce qu'ils font? R Ils sont simplement et ont soin de l'administration de la bâtisse.

Ils ont soin de l'administration matériel? R Les planchers seulement.

Et de la fonderie? R Oui,normalement.

Dans la bâtisse [illegible] R [illegible]

Avant la fermeture, vous avez une équipe de nuit pas seulement? R Oui a dû travailler pour l'installation des machines, il faillait des personnes

de plus pour faire ça.

Q Aujourd'hui vous êtes l'équipe et le contremaitre de l'équipe? R Oui.

Q Vous vous accordez bien? R J'ai pas de misère.

ET LE DIT TEMOIN NE DIT RIEN DE PLUS.

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MADEMOISELLE MARGUERITE THIFFAULT.

Lequel témoin est assermenté.

Interrogé par Mtre BEAUREGARD:

Q Quel est votre âge? R Vingt-deux ans.

Q Où demeurez-vous? R Au Cap de la Madel ine.

Q Où travaillez-vous? R à la Canadian T.&.R.

Q A quel travail êtes-vous employée? R Dans le moment au pincetage.

Q C'est une variation du tissage? R Oui, monsieur.

Q Travaillez-vous sur une machine? R Non, sur une table, la soie passe sur une table, et on est assise.

Q En quoi consiste votre travail? R Couper les fils au bord de la soie.

Q Quand la soie est faite vous repassez l'étoffe, pour réparer les malheures? R Oui.

Q Depuis combien de temps faites-vous ça?

R Trois semaines.

Q Avant que faisiez-vous? R J'étais au tissage.

Q Combien vous paye-t-on actuellement? R $11.00 par semaine, 21 cts de l'heure.

Q

[illegible]

4 Auquel vous êtes intéressé et la compagnie
de l'équipe? R Oui.

5 Vous vous occupez aussi? R J'ai pas de
[illegible].

Et la pig [illegible] de [illegible].

MAINTENANCE [illegible]

Tequel travail est recommandé.

Interrogé par Me [illegible]:

1 Quel est votre âge? R Vingt-deux ans.

2 Où demeurez-vous? R Au 2e de la Rue [illegible]

3 Où travaillez-vous? R À la Question T.S.F.

4 A quel travail étiez-vous employé? R Dans
la [illegible] de [illegible].

5 N'est une variation de travail? R Oui, [illegible]

6 Travaillez-vous sur une machine? R Non, sur
une table, la moto repose sur une table, et on est
assis.

7 Et quel complète votre travail? R Comme [illegible]
[illegible] et [illegible] la [illegible].

8 Quand la moto est finie vous remarque l'essais,
[illegible] rodager les machines? R Oui.

9 [illegible] pendant le [illegible], [illegible],
[illegible] [illegible].

10 Avant que [illegible]-vous? R J'étais en train
[illegible] vous [illegible] [illegible] [illegible]
par [illegible], il [illegible] [illegible].

Q Vous avez une heure pour dîner? R Oui.

Q Vous la prenez? R Oui, monsieur.

Q Avant vous étiez tisseuse? R Oui.

Q Sur combien de métiers? R Quatre.

Q En avez-vous déjà eu plus que quatre? R Non.

Q Sur la soie naturelle ou artificielle? R Naturelle et artificielle.

Q Les deux mélangées, deux par deux? R Oui.

Q Pendant combien de temps avez-vous été tisseuse? R Six ans.

Q Est-ce que ça fait plus longtemps que ça que vous travaillez au moulin? R Non, monsieur.

Q Vous avez été tisseuse quand vous êtes arrivée là? R Oui.

Q Vous saviez le métier en entrant? R Non.

Q Vous l'avez appris là? R Oui.

Q Combien aviez-vous comme tisseur, avant les trois semaines là? R J'avais dans les $16.00 à $17.00 des fois.

Q Par? R Par semaine.

Q Etiez-vous contremaitre mademoiselle? R Non.

Q Qui est-ce votre contremaitre? R M. Natton.

Q Combien d'employées étiez-vous au même travail? R Une quarantaine je suppose.

Q Combien avez-vous perdu de temps pendant la relache, pendant les deux fermetures? R J'ai arrêté le 4 de janvier, j'ai travaillé dix jours, en février là, ça fait trois semaines que je travaille.

Q Vous étiez payée comme tisseur sur combien de l'heure? R 34 cts de l'heure.

Q C'est à dire que vous étiez à la pièce, n'est-ce pas? R Oui, monsieur.

Vous avez une heure pour dormir? R Oui.

Vous le prenez? R Oui, monsieur.

Avant vous étiez trésorier? R Oui.

Par combien de dollars? R Quatre.

Un ex-vous avait en plus une quatre? R Non.

Sur la scène nationale ou artistique? R Nationale et artistique.

Les deux ensemble, donc vous avez? R Oui.

Comment combien de temps avez-vous été trésorier? R Six ans.

Bien que je tenté plus longtemps que je que vous travaillez en moyenne? R Non, monsieur.

Vous avez été trésorier quand vous êtes arrivé ici? R Oui.

Vous aviez le droit en octobre? R Non.

Que l'avez-vous? R Non.

Combien avez-vous comme trésorier, avant les trois mois ici? R J'avais deux les $15.00 à $17.00 des trois.

Et? R Les deux ensemble.

Avez-vous continuité rémunérationnelle? R Non.

Et si-ou votre contremaître? R R. Mattson.

Combien d'en dépense avez-vous en même temps ici?

Combien avez-vous pensé de temps pendant la [illegible], pendant les deux [illegible]? R J'ai [illegible] de revenir, j'ai [illegible] dit [illegible], on travaillait trois semaines que je travaille.

Vous avez payé comme trésorier sur commission ou [illegible]? R Oui et de l'heure.

[illegible] R Oui, monsieur.

Q C'est à dire que l'ensemble de votre travail dous donnait 34 cts de l'heure? R Oui.

Q C'est comme ça que ça répondait à 34 cts de l'heure? R Oui.

Q Bien que votre travail fut payé à la pièce? R Oui.

Q Est-ce que les machines enrégistrent la quantité du travail? R Non.

Q Comment le rendez-vous se compte-t-il? On est payé à la verge, on mesure la soie.

Q C'est à dire que l'étoffe s'enroule sur la machine à mesure qu'il est tissé, et c'est cet étoffe qui est mesuré à la verge? R Oui.

Q Avez-vous un controle quelconque que vous pouvez exercer sur le mesurage de l'étoffe? R Sur la machine, ça passe, ils la mesurent, ça marque.

Q Qui mesure? R Celui qui mesure la soie.

Q Est-ce qu'il y a un prépos. particulièrement pour le mesurage? R Oui,monsieur.

Q Dans ce département là? R Oui.

Q Est-ce que vous assistez au mesure ou s'il est fait en dehors de votre connaissance? R Il est fait en dehors de notre connaissance.

Q C'est à dire que la soie est enlevée du moulin, emportée, et qu'il y a un employé qui la mesure?

R Oui monsieur.

Q Et vous vous n'êtes pas là? R Non

Q Vous acceptez cette mesure comme exacte?

R Naturellement.

Q Vous n'avez pas de controle autrement? R Non.

Q Et c'est la même chose pour tout le monde?

R Oui,monsieur.

ET LE DIT TEMOIN NE DIT RIEN DE PLUS.

5 D'où à dire que l'eau ne de votre bras. Il vous
semble ne que le l'homme? R. Oui.
6 D'où comme je que je recommande à Mr. de
l'essayer? R. Oui.
7 Mais pas votre bassin fut pas à la vidange à Oui.
8 Est-ce que les machines employées la pression
du travail? R. Non.
9 Comment le moteur-vous en compte-t-il? On est
passé à la vapeur, on essaye le vide.
10 D'où à dire que l'eau s'amasse sur le
moulin à vapeur qu'il est bien, et que l'eau
est passée à la vapeur? R. Oui.
11 Avez-vous un certain quelque que vous pas-
vez avoir avec le moulin de l'eau? R. Je le
moulins, je crois, Ils le moulins, je moulins.
12 Qui moulin? R. Tous qui moulin le moins.
13 Vous-en avez il y a un moulin particulièrement
pour le moulage? R. Oui, moulin.
14 Dans le département? R. Oui.
15 Est-ce que vous moulez en moulage ou s'il est
fait en dehors de votre moulage? R. Il est
fait en dehors de notre moulage.
16 D'où à dire que le bois est activé du moulin,
moulins, et qu'il y a un espace par le moulin?
17 Oui moulin.
18 Et vous avez n'être pas là? R. Non
Une question entre moulin comme ouvert?
19 Oui, seulement.
20 Pour n'avoir pas de contrôle à moulin? R. Non.
21 Il était la même chose pour tout le moulin?
22 Oui, moulin.
23 Si le moulin fonctionne bien il est bien.

PAUL LAFLEUR.

Lequel témoin est assermenté.

Interrogé par Mtre BEAUREGARD:

Q Quel âge avez-vous Monsieur Lafleur? R Cinquante et un ans.

Q Où demeurez-vous? R Au Cap de la Madeleine.

Q Depuis combien de temps travaillez-vous à l'usine? R Cinq ans.

Q Que faites-vous? R Au moulinage.

Q En quoi ça consiste? R Dans les machines.

Q Quelle sorte de machine est-ce? R Une machine qui tourne.

Q Pour faire quoi? R De la soie naturelle et artificielle.

Q Dans quel état est le fil de soie quand vous le recevez? R En canelle.

Q Et quand il part de chez vous? R Il part en rouleaux.

Q C'est ce que vous faites vous? R Oui.

Q Etes-vous contremaitre? R Oui, des fois.

Q Actuellement? R Oui.

Q Combien d'hommes avez-vous? R Ca dépend de la quantité d'ouvrage, actuellement trois à part de moi.

Q Depuis le mois de janvier avez-vous été plus nombreux dans ce département, qu'aujourd'hui?

R Des escousses qu'il y en avait deux de plus.

Q Des fois vous avez cinq hommes sous votre controle?

R Oui.

Q C'est toujours vous qui conduisez ce département là? R Oui, la nuit.

Q Le jour ce n'est pas vous? R Non c'est un autre.

Q Vous étiez le chef de nuit? R Oui.

Q Vous ne marchez pas la nuit actuellement? R Oui, ça continuée.

Q Est-ce qu'il y a cinq ans que vous faites le même métier? R Oui, monsieur.

Q Combien gagnez-vous actuellement? R 30 cts de l'heure.

Q Etes -vous payé à l'heure? R Oui monsieur.

Q A la pièce? R Il y a pas de pièces.

Q Chez vous c'est pas mesuré? R Le fil ils mesurent pas ça il y en a trop.

Q Vous travaillez dix heures par jour? R Cinquante cinq heures par semaine, la nuit.

Q A 35 cts de l'heure? R A 30 cts.

Q Depuis combien de temps avez-vous le salaire de 30 cts de l'heure? R Je l'ai toujours eu.

Q Quand vous aviez une journée de huit heures, vous aviez le même salaire à l'heure? R Oui.

Q Diniez-vous sur place? R Oui.

Q En travaillant? R Non, dans le vestiaire, on a une place numéro 1.

Q Avant la fermeture combien y avait-il d'employés dans votre équipe? R Dix, et on était que la nuit.

Q Je vous parle de vous et de votre équipe, combien de personnes faisaient le même travail que vous, avant de fermer en janvier? R La nuit, c'était l'équipe de nuit.

Q Une équipe de combien? R J'ai pas figuré ça pour commencer.

Q A peu près? R Je ne suis pas capable de dire ça, j'ai jamais compté ça.

Q. Vous étiez le chef de nuit? R. Oui.

Q. Vous ne marchez pas la nuit comme lieutenant? R. Non, je suis continuée.

Q. Lui-ne qu'il y a plus que vous indique la même nuit? R. Oui, monsieur.

Q. Quelles heures-vous [illegible]? R. De 6h à la de l'heure.

Q. Etc -vous payé à l'heure? R. Oui monsieur.

Q. A la pièce? R. Il y a pas de pièces.

Q. Chez vous c'est pas marqué? R. Je fil lin marqué par la 11 p. [illegible].

Q. Vous travaillez six heures par jour? R. Dix-neuf cinq heures par semaine, la nuit.

Q. A 35 cts de l'heure? R. A 25 cts.

Q. Depuis combien de temps avez-vous le salaire de 25 cts de l'heure? R. Je l'ai toujours eu.

Q. Mais vous avez une journée de huit heures.

Vous avez le même salaire à l'heure? R. Oui.

Q. Unis-vous par plaisir? R. Oui.

Q. Un travailleur? R. Non, dans le vestiaire, on a une place marqué i.

Q. Avant la fermeture complète y avait-il d'employés dans vos ?s ? R. Non, et on était que la nuit.

Q. Je vous prie de me dire si je vous [illegible], [illegible] de fermeture [illegible] de fermer en janvier? R. La nuit, c'était l'employé de nuit.

Q. Une équipe de soudeur? R. J'ai une figure, a peut [illegible].

Q. A une [illegible]? R. Je ne sais pas comme de ch [illegible] [illegible] [illegible] [illegible].

Q Combien de machines avez-vous sous votre contrôle personnellement? R quatorze.

Q Vous avez quatorze machines que vous surveillez? R qui marchent.

Q Avant la fermeture aviez-vous un même nombre de machines? R Oui monsieur.

Q Chaque ouvrier a-t-il le même nombre que vous? R Non, ça dépend de la qualité sur la naturelle on en a plus sur l'artificielle on en a moins.

Q Combien y en a-t-il sur la soie naturelle, ou combien plutot y en a-t-il sur la soie artificielle? R Ca dépend, des broches de 700,800.

Q Et combien de broches sur les machines qui travaillent la soie naturelle? R 1532 broches pour un homme.

Q Et combien de broches dans la soie artificielle, pour un homme? R 400, 408.

Q Est-ce que c'est un travail équivalent pour la fatigue, pour l'attention et la fatigue? R C'est un ouvrage ordinaire.

Q Surveillez 400 broches sur la soie rayon est-ce un équivalant que de travailler à 1600 broches sur la soie naturelle? R C'est la même chose.

Q Est-ce qu'on gagne autant à surveiller 1600 broches sur la naturelle que 400 sur la soie artificielle? R Ils ont moins de misère sur la naturelle que sur l'artificielle, ils runnent moins, mais c'est à peu près la même histoire.

ET LE DIT TEMOIN NE DIT RIEN DE PLUS.

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Q. Comment en obtient-on une voie artificielle?

R. Je l'ignore.

Q. Vous avez quatorze machines que vous surveillez?

R. Oui monsieur.

Q. Avant le [illegible] de bien [illegible] de machines? R. Oui monsieur.

Q. Chaque ouvrier a-t-il le même nombre que vous?

R. Non, il dépend de la qualité sur le naturelle ou de la plus sur l'artificielle ou [illegible].

Q. Combien y en a-t-il sur la voie naturelle, combien plus? Il y a-t-il sur la voie artificielle?

R. De départ, des broches de 700,000.

Q. Et combien de broches sur les machines qui travaillent la voie artificielle? R. Sans trouver [illegible] du homme.

Q. Et combien de broches dans la voie artificielle, pour un homme? R. 400, 450.

Q. Dites que c'est un travail équivalent pour la fatigue, pour l'attention et la fatigue?

R. C'est un ouvrage ordinaire.

Q. Surveillez 450 broches sur la voie naturelle, un équivalent que de travailler à 1800 broches sur la voie naturelle? R. C'est la même chose.

Q. Savez-vous que nous avons à surveiller 1400 [illegible] sur la moyenne [illegible] 400 sur la voie artificielle? R. Ils ont moins de mieux sur la naturelle que sur l'artificielle, il [illegible], mais n'est à pas [illegible] même [illegible].

WE LE DIT TOMMIN NE DIT RIEN DE PLUS.

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MADAME HERMILINE LAVEAU.

Lequel témoin est assermenté.

Interrogé par Mtre BEAUREGARD:

Q Madame Laveau vous travaillez au moulin de soie de la T.S.R. au Cap de la Madeleine? R Je travaille pas dans le moment.

Q Depuis combien de temps? R Depuis le 4 janvier.

Q Depuis le 4 janvier 1936? R Oui.

Q Vous avez travaillé jusqu'au 4 janvier? R Oui.

Q Que faisiez-vous? R Je tissais.

Q Pendant combien de temps avez-vous été tisseuse?

R Cinq ans.

Q Tout le temps que vous avez été au moulin? R Oui.

Q Vous êtes entrée là comme tisseuse? R Oui.

Q Aviez-vous de l'expérience? R Pas sur la soie.

Q Vous aviez tissé dans le coton? R Oui,

Q Au moment où vous avez cessé de travailler au moulin quel était votre salaire? R 36 cts de l'heure, à peu près.

Q Vous faisiez combien par paye? R $18.00, $18.50 par semaine.

Q Pour une journée de huit heures? R Pour huit heures, oui.

Q Vous aviez combien de métiers? R Quatre métiers.

Q Avez-vous déjà eu plus que quatre métiers?

R Non monsieur.

Q Moins? R Oui, un métier de moins, deux.

Q Vous avez eu trois métiers et deux métiers?

R Oui, monsieur.

Q Quelle différence de salaire existait-il?

R Au début quand je suis entrée, j'ai commencé à deux métiers, j'avais 18 cts de l'heure.

Q Il y a cinq ans de ça? R Oui.

Q Ensuite vous avez été combien de temps sur ce régime là? R Sept ou huit mois, je ne me souviens pas.

Q Ensuite est arrivé quoi? R Trois métiers.

Q Combien gagniez-vous de l'heure à trois métiers?

R 21 cts de l'heure.

Q Combien avez-vous été de temps sur ce régime là?

R Deux ans je crois.

Q Et après vous avez eu quatre métiers à combien?

R 36 cts de l'heure.

Q Quand vous aviez deux métiers, était-ce le même matériel que vous aviez à travailler que quand vous en aviez trois ou quatre? R Oui, à peu près le même.

Q A peu près le même? R Oui, à peu près le même.

Q La différence consistait dans le nombre de métiers?

R Oui, et dans la qualité du matériel.

Q Vous n'étiez pas payé à l'heure mais à la production? R Oui.

Q Sur quoi la production est-elle basée, est-ce sur le mesurage de l'étoffe fabriquée? R Oui, à la verge.

Il n'y a pas d'appareil pour enrégistrer ça, il s'enroule devant l'opératrice, il est enlevée et une autre pièce est passée, et la pièce finie est mesurée ailleurs? R Oui.

Q Vous êtes payée suivant ce qu'on dit être la mesure de la pièce? R Oui.

Q Combien avez-vous la verge? R Il y a de différente qualité.

Il y a long-temps que ? R. Oui.

Depuis vous avez été certain de temps aux ce mo-
ment là? R. Depuis ce jour-ci, je ne le sa-
vais pas.

Depuis combien de temps ? R. Trois ou trois.

Combien comptez-vous de l'heure à trois heures?
à ces de l'heure.

Combien avez-vous été de temps sur ce réglage là?
deux ans je crois.

Et avez vous eu quelque chose à corriger
à ces de l'heure.

Quand vous avez deux cadrans, dit-on le même
matériel que vous avez à travailler une quand vous
en avez trois ou quatre? R. Oui, à peu près le
même.

A peu près le même? R. Oui, à peu près le même
La différence consiste dans le nombre de moteur
Oui, et dans la qualité du matériel.

Vous n'étiez pas payé à l'heure mais à la production? R. Oui.

Sur quoi la production était-elle basée, est-ce
sur le nombre de l'horloge ? R. Oui, à
peu près.

Il n'y a pas d'exemple que quelqu'un, si il
s'endormait durant l'opération, il est arrivé ce
que autre pièce est passée, et la pièce fausse est
mesurée ailleurs? R. Non.

Vous étes payés suivant ce qu'on a fait être la
mesure de la pièce? R. Oui.

Combien avez-vous la vapeur? R. Il y a de vit-
[illegible]

Q Mais ordinairement quelle était la moyenne du prix la verge? R 2½ pour l'artificielle et 3....

Q 2½, sont-ce des piastres ou des cents? R 2 cts la verge, 3 cts, 4 cts, ça dépend de la qualité qu'on fait.

Q Vous travailliez de quelle heure à quelle heure quand vous étiez là? R De 8 heures du matin à quatre heures de l'après midi.

Q Vous mangiez en travaillant? R Oui.

Q Tout le monde faisait ça? R Oui.

Q C'est comme ça que ça se passait? R Oui.

ET LE DIT TEMOIN NE DIT RIEN DE PLUS.

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JOSEPH LOISELLE.

Lequel témoin est assermenté.

INTERROGE PAR Mtre BEAUREGARD:

Q Monsieur Loiselle, quel âge avez-vous? R 24 ans.

Q Etes-vous marié? R Oui.

Q Avez-vous des enfants? R Un.

Q Vous travaillez à l'usine? R Pas dans le moment.

Q Depuis quand avez-vous cessé de travailler?

R Le 4 janvier.

Q 1936? R Oui.

Q Ça faisait combien de temps que vous travailliez à l'usine R Onze mois.

Q Quel était votre emploi? R Tisseur.

Q Avez-vous été onze mois tisseur? R Onze mois au Cap de la Madeleine.

Q Avez-vous commencé par être tisseur?

R Au Cap, oui.

Q D'où veniez vous? R St.Jean d'Iberville.

Q Vous aviez travaillé là? R Oui.

Q Le moulin a commencé là? R Oui,mais c'est un autre moulin.

Q Vous aviez travaillé pour un autre tisserand à St.Jean d'Iberville? R Oui.

Q Quand vous avez cessé de travailler quel était votre salaire? R A peu près de $14.00 à $18.00 par semaine.

Q Combien de métiers aviez-vous? R Quatre métiers.

Q Avez-vous eu jamais plus que ça? R J'en ai eu six aussi.

Q Vous en avez jamais eu moins? R Oui.

Q Combien en moins? R Jusqu'à trois métiers.

Q Aviez-vous le même tarif de paiement à trois métiers qu'à quatre? R On était payé pour l'ouvrage qu'on faisait.

Q Vous étiez payé sur la production? R Oui monsieur.

Q Avez-vous perdu du temps dans les onze mois que vous avez été employé là? R Oui,l'année dernière on a perdu un peu de temps.

Q Combien? R Je ne me souviens pas au juste.

Q Calculez le en jours,semaines ou en mois?

R Une semaine ou deux à peu près.

Q Vous étiez sur quelle équipe, travailliez-vous le jour ou de nuit? R De quatre à minuit et de minuit à huit.

Q Alterniez-vous? R Oui, on changeait, une semaine de quatre à minuit et une semaine de minuit à huit.

R au Cap, oui.

Q N'où venez vous? R St.Jean d'Iberville.

Q Vous avez travaillé là? R Oui.

Q Le Moulin à Lamoureux? R Malheureusement

pour moulin.

Q Vous avez bien dit pour un autre travailler à

St.Jean d'Iberville? R Oui.

Q Quand vous avez cessé de travailler quel était

votre salaire? R A peu près de $14.00 à

$15.00 par semaine.

Q Combien de moteurs avez-vous? R Quatre

moteurs.

Q Avez-vous un journal plus que cet R Il en a

un six cents.

Q Vous en avez journal ou moins? R Oui.

Q Combien en moins? R Jusqu'à trois moteurs.

Q Avez-vous le même tour de passer à trois mo-

teurs quand quelque? R Je n'ai pas vu l'ouvrage

m'on travail.

Q Vous étiez avec sur la production? R Oui mais

Q Avez-vous pensé de trouve dans les cours que

vous avez vu analogue à? R Oui, l'année dernière

j'ai à lire le pick le tours.

Q Combien? R Je ne me souviens pas au juste.

Q Calculez le en jours,semaines ou en mois?

R Une semaine ou deux à ou trois.

Q Vous étiez sur quelle équipe, travailliez-vous

le jour ou de nuit? R Je quitte à minuit et on

commence à huit.

Q Alternativement? R Oui, et commencé

à minuit et quitte à quatre à midi et commence à minuit

huit.

Q Mangiez-vous en travaillant dans ce temps là?

R Oui.

Q Tout le monde faisait ça? R Oui, monsieur.

Q Vous n'avez jamais gagné moins que $14.00?

R Depuis combien de temps.

Q Comme tisseur? R Quand on perdait du temps.

Q Faisiez-vous souvent des petites semaines?

R C'est arrivé qu'on faisait des petites semaines.

Q C'est à dire que vous aviez pas d'ouvrage toute la semaine? R On manquait d'ouvrage.

Q Vous travailliez deux ou trois jours, est-ce arrivé ça? R Oui pas souvent.

Q Est-ce que ça vous est arrivé assez souvent de faire quatre jours par semaine? R Non, c'est arrivé quelquefois peut être.

Q Pas souvent? R Non, pas souvent.

ET LE DIT TEMOIN NE DIT RIEN DE PLUS.

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GEORGES AYOTTE.

Lequel est assermenté:

Interrogé par Mtre BEAUREGARD:

Q Quel est votre âge? R 25 ans.

Q Etes-vous marié? R Oui, monsieur.

Q Vous avez combien d'enfants? R Trois.

Q Travaillez-vous? R Pas dans le moment.

Q Depuis combien de temps ne travaillez-vous pas?

R Depuis une couple de semaines avant le 4 janvier, j'ai arrêté une quinzaine de jours avant les derniers qui ont arrêté.

M. Les gens-vous en travaillant dans ce temps là?

R. Oui.

Q. Pour le nommé Lessard, par R. Oui, monsieur.

Q. Vous n'avez jamais pensé mieux que cela.

R. Non, il commence ce temps.

Cette discussion: R. Dans ce pendant ce temps-ci

Q. Labor-saving machinery

R. Q'est arrivé qu'on fait moins des selling machines.

Q. C'est à dire que vous avez vos d'ouvrage tous

M. Wrolant: R. Je travail d'ouvrage.

Q. Vous travaillez sous ce trois jours, où-vous arrivé par? R. Oui souvent.

Q. Pendant le temps que vous travaillez sous trois quatre jours par semaine? R. Non, c'est arrivé quelques fois.

M. Les Tuyaux: Q. Tous les jours.

R. Il m'est arrivé de ne pas aller au R.

EXAMINATION.

Interrogé par le Commissaire:

Q. Quel est votre âge? R. 36 ans.

Q. Demeurez-vous ici? R. Oui, monsieur.

Q. Depuis quelques de temps de travailler-vous pour Lessard?

R. Depuis une année de maintenant vers le 4 janvier. J'ai arrêté une quinzaine de jours avant Jan dernier à cet ouvrage.

Q Avait-on commencé à ralentir avant ça? R Oui, un peu, j'avais des métiers avec des nouvelles patentes qu'ils avaient installées.

Q Vous étiez tisseur vous? R Oui, monsieur.

Q Au moulin de la T.S.R. R Oui, monsieur.

Q Combien y a-t-il de temps que vous travailliez là? R Je ne peux pas donner une réponse définitive, j'ai rentré, j'ai sorti, j'ai rentré.

Q Vous êtes allé et venu? R Oui, monsieur.

Q Quand pour la première fois avez-vous commencé à travailler pour ce moulin là? R Il y a trois ans.

Q Comme tisseur? R Comme apprenti tisseur.

Q Quelle était la base de votre salaire, quand vous avez cessé de travailler? Etes-vous payé à l'heure, à la journée, à la pièce? R A la pièce, à la verge.

Q Les tisseurs sont payés suivant la production? R Oui, monsieur.

Q Vous aviez combien de moulins? R En dernier j'en avais six.

Q Travailliez-vous sur la soie naturelle ou artificielle? R Sur la naturelle et l'artificielle.

Q En même temps ou alternativement? R En même temps.

Q Le même homme peut avoir des moulins de soie naturelle et de soie artificielle? R Oui, monsieur.

Q Voulez-vous nous dire ce que vous aviez comme salaire par semaine, disant dans les trois dernières années que vous avez travaillé? R J'avais pas un gros salaire, parce que des fois la soie était méchante ou d'autres fois, ça dépendait des métiers, les derniers temps que j'ai travaillé, j'ai été

Avait-on commencé à prendre avant ?? R Oui, en 1940. J'avais les notes sur mon bureau. Je l'ai remis à Monsieur Dupuis.

Vous étiez présent ?? R Oui, monsieur.

Au bureau de la T.S.F. R Oui, monsieur.

Je ne sais pas comment me représenter cette salle.

Vous étiez assis ou debout ? R Oui, monsieur.

Quand vous la quittiez avez-vous commencé à travailler pour le ministère ? R Il y a trois ans.

Comme ? Comme ? Comme ? Comme ?

Quelle était la base de votre salaire, quand vous avez commencé à travailler ? Avez-vous reçu à l'heure, à la journée, à la pièce ? R A la pièce, à la ligne.

Les tissus sont rangés avant la pièce ?

R Oui, monsieur.

Vous avez cousu ? R Ou du dentelle l'on avait à faire.

Quantité de ? R Oui, monsieur.

Pouvez-vous dire, en deux mots, quelle sorte de dentelle pour exemple, il vous faut deux jours pour coudre ? R J'étais pas un gros ouvrier. Je ne sais pas. Je ne sais pas.

Les ouvriers étaient payés ?

obligé d'avoir recours au secours directe pour vivre.

Q C'était combien votre salaire par semaine?

R $6.00, $7.00, $9.00, $12.00, c'était pas réglé.

Q Vous avez retiré $6.00 par semaine? R $6.00, $7.00, ça dépend.

Q Est-ce que duré longtemps comme ça? R Ca été pire en dernier, parce que j'avais des nouveaux métiers des patentes qu'ils ont installées sur les métiers,

Q Dites-vous que c'était des métiers nouveaux ou des instruments nouveaux? R Des instruments nouveaux.

Q Des modifications ou changements aux métiers?

R Oui.

Q C'est vous qui avez fait l'installation de ça, or vous, êtes-vous un bon ou mauvais ouvrier?

R On dit toujours qu'on peut pas se vanter soi-même, mais je serais prêt à donner des démonstrations à l'heure actuelle. Je crois bien quand on a commencé...

Q Quand vous savez travailler vos métiers comme il faut? R. Oui, j'ai travaillé à Drummondville, et ils ont été satisfaits de moi.

Q Vous avez fait des semaines de ... R $6.00, $8.00, $10.00, $12,00, $17.00.

Q Le plus et le moins qu'est-ce que ça été?

R Le plus que j'ai fait ça été $18.00, dans les premiers temps.

Q Est-ce qu'il y a eu une diminution dans le tarif de la soie? R Ca varie, c'est pas toujours pareil.

Q Est-ce que ça varie de mois en mois, de semaine en semaine? R De mois eh mois.

Q Vous avez constaté une variance dans le prix

donné? R Oui,monsieur.

Q Dans des cas vous avez fait $16.00 et dans d'autres cas vous avez fait $6.00 par semaine?

R Oui,monsieur.

Q Est-ce que parce que vous ne travailliez pas beaucoup d'heures, ou si l'ouvrage n'était pas payant?

R La même quantité d'heures.

Q Combien d'heures ça representait ce travail là?

R Des fois toute une semaine à huit heures.

Q Pour six piastres? ~~R~~-$6.00 , $7.00.

Q D'autres fois pour $8.00? R Oui,monsieur.

Q Etiez-vous le seul comme ça? R Je crois pas.

Q Combien y en avait-il de tisseur à ce moment là? R Dans notre temps.

Par MTRE LANCTOT: Ce n'est pas lui qui avait le role de paye.

PAR MTRE BEAUREGARD:

Q Combien y avait-il de tisseurs? R Dans mon temps, ça runnait pas mal assez régulièrement, tous les tisseurs étaient rentrés, je ne peux pas dire un nombre exact.

Q Est-ce 10,20,30? R Les métiers étaient pas mal employés.

Q Chaque homme avait quoi? R Quatre métiers.

Q Pas plus que six? R Non.

Q S'il y avait une centaine de métiers, ces métiers étaient occupés à raison de 4 ou 6 métiers par homme? Oui, seulement il y avait que moi qui en avait six, parce qu'il y en avait pas beaucoup qui avaient des nouveaux attachements.

Q Les autres avaient quatre? R Oui.

Q Ce que vous dites de vous le diriez-vous pour un grand nombre de vos confrères?

OBJECTE par Mtre LANCTOT.

Q Est-ce que les salaires que vous faisiez, est-ce le salaire que les autres faisaient?

PAR M.le COMMISSAIRE:

Q Le savez-vous? R Des semaines que j'ai fait plus que les autres, d'autres semaines d'autres ont fait plus que moi, ça varie, j'ai fait des bons salaires et d'autres aussi, quand on est payé à la production, quand on a pas de salaire fixe, c'est entendu il peut y avoir un salaire qui est pas toujours réglé la même chose, je sais que l'on afait des petites semaines et on a fait des grosses semaines.

PAR MTRE BEAUREGARD:

Q La variance dans la production, c'est que la marchandise n'est pas toujours payee au même prix, et est pas toujours de la même qualité? R Vous faites de la soie, si elle est de bonne qualité elle va vous payer bien plus vite que si vous faites de la deuxième qualité, ça va payer moins, et en troisieme qualité elle nous paye encore moins.

PAR MTRE LANCTOT:

Q Vous avez été renvoyé. Vous n'êtes plus employé?

R Non.

Q Mademoiselle Thiffault,que nous avons entendu, travaille sur le même genre de metiers que vous n'est-ce pas? R Oui monsieur.

Q Elle nous a dit tout à l'heure à la Cour, qu'en travaillant sur le même genre de metier que vous, sur le même matériel, qu'elle faisait $18.00 à $20.00 par semaine?

— Je que vous aimez de vous le dirai-vous pour
un grand nombre de vous comprendre?

CHRISTINE par Mme LAMOUR.

— Est-ce que les salaires que vous faites, sont-ce
le salaire que les autres faisaient?

PAR M. le JUGE.

— Le savez-vous? R Des semaines que j'ai
pris que les ainés, l'autre semaine d'abord
fait plus que moi, je vends, j'ai fait des bons salaires
et l'autres aussi, quand on est payé à la production,
quand on a pas de salaire fixe, c'est arrivé il peut
y avoir un salaire qui est pas toujours égale le même
chose, je sais que l'on fait des petites semaines et
on a fait des grosses semaines.

PAR MON SAVANT JUGE:

— Le [illegible], c'est une la
manufacture n'est pas toujours payée en même prix, et
est pas toujours de la même qualité? R Vous faites
de la soie, si elle est de bonne qualité elle va
payer bien plus vite que si vous faites de la dernière
qualité, je va payer moins, et en troisième qualité
elle nous paye encore moins.

— Pour avez vous [illegible]

R Non.

— [illegible]

— [illegible] R Oui monsieur.

— Mais ne l'a dit to t à l'homme à la Cour, qu'on
[illegible] au même poste de travail que vous,
que le même salaire, qu'elle faisait plus.Il y a pas
[illegible]

R Si je crois mademoiselle Thiffault a fait ça avec de la soie naturelle, moi on m'a demandé sur les derniers temps de mon salaire, j'ai travaillé sur l'artificielle, j'ai pas fait grand chose parce que ces métiers là vont bien rien que sur la soie naturelle.

Q On a trouvé que vous étiez pas assez compétent, et on vous garde plus? R Dans ce cas là personne était compétent parce qu'ils ont tous été traités pareil, et jetés dehors pareil.

Q Le 4 janvier il y a eu une discontinuation?

R Oui, tout le monde a été comme moi dehors.

Q Vous dites qu'il y a eu des changements, comme question de fait n'est-il pas vrai qu'on a pas changé la base du paiement à la pièce depuis trois ans, on a pas changé la base pour les paiements à la pièce?

R Depuis trois ans sur certaines qualités de soie, sur ce que j'ai entendu dire, j'ai pas vu les livres de ça, je sais qu'il y a des qualités de soie qui ont déjà été changées de prix, certaines soies, peut être la soie a-t-elle été changée de numéro et qu'on a pas changé la qualité...

PAR MTRE BEAUREGARD:

Q Vous soupçonniez que c'était la même soie?

R La même qualité.

PAR MTRE LANGTOT:

Q Vous ne connaissez rien de ça. Vous avez été mis dehors avant le 4 janvier? R Oui.

Q Parce que vous étiez incompétent, et la preuve c'est que vous faisiez $6.00 ou $7.00 sur le même travail et la même marchandise. Dites moi, est-ce qu'il y a un métier spécial pour vous? R Non, mais il y a des nouveaux attachements, sur la soie naturelle ils vont aller raisonnablement, mais pas pour l'arti-

M. [illegible].

— Si je crois mademoiselle Mulfoud a raison, avec de la soie naturelle, moi on m'a demandé un [illegible] temps de son [illegible], j'ai [illegible] l'[illegible], j'ai [illegible] dans une [illegible] que je [illegible] ou [illegible] là [illegible] plus que sur la soie [illegible] on [illegible] ça [illegible] ?

— Je n'ai trouvé que vous [illegible] comme [illegible] complètement parce qu'elle ont [illegible] été traitées pareil, et j'ai [illegible] pareil.

— Le 4 Janvier il y a eu une [illegible] ?

— Oui, tout le monde a été comme moi [illegible].

— Vous [illegible] qu'il y [illegible] ?

— Non, je fait n'est-il pas vrai qu'on a [illegible] la [illegible] à la [illegible] ?

— Je pense [illegible] pour les [illegible] à la [illegible] sur ce que j'ai [illegible], j'ai [illegible] va les [illegible] ne [illegible], je [illegible] qu'il y a [illegible] de soie [illegible] ont déjà été changées de prix, [illegible] soies, peut être [illegible] s'est-elle été changée de [illegible] et que [illegible] la qualité...

— Vous [illegible] ?

— Je [illegible].

— Vous me connaissez mon [illegible] mais [illegible] avant les [illegible] ?

— Moins que vous [illegible] inconnu, et la preuve [illegible] sur le même [illegible], [illegible] qu'il [illegible] ?

— [illegible] ?

— [illegible], mais [illegible] j'ai [illegible]

ficielle, c'est clair que ça va mieux sur la naturelle.

ET LE DIT TEMOIN NE DIT RIEN DE PLUS.

-oo-o-o-o-o-o-o-o-o-o-

PHILIPPE BOELL.

(Ce témoin est entendu de nouveau)

INTERROGE PAR MTRE LANCTOT:

Q Avez-vous certaines remarques à faire au sujet du dernier témoignage, à propos des bases de prix?

R Les bases de prix n'ont jamais été changées depuis trois ans, nous ne baissons pas les prix sur la production de 70% à l'ouvrier, avec un salaire minimum de $15.00.

Q Combien 70% est-il supposé donner par semaine?

R Il est supposé donner $15.00, $16.00 par semaine.

Q Le 70% est fixé en prenant pour acquit que la machine opèrerait huit heures, 100%, vous prenez 70% de la marche de cette machine là?

R De son rendement pratique, on désire dans le tissage que le rendement pratique est de 70%

PAR MTRE BEAUREGARD:

Q Les tissus, une fois terminés, au point de vue de l'ouvrier, ne sont pas classés comme première deuxième, troisième qualité? R Oui.

Q Est-ce que le prix payé à l'ouvrier n'est pas basé sur ce que l'étoffe qu'il a tissé, est déclaré être par la direction, vous même, de première, deuxième ou troisième qualité? R Oui, nous classons la marchandise.

Q Quelle différence y a-t-il entre la première, la deuxième et la troisième qualité?

Toisille, c'est clair que ça va mieux que la moyenne.

-o-o-o

R Par exemple dans un article que nous payerions 4 cts la yard, première qualité, on donne à l'ouvrier 3½ cts pour la deuxième qualité et 2 cts pour une troisième qualité. Vous remarquerez qu'il y a une différence marqué entre la première, la deuxième ou la première et la troisième, parce que nous tenons pas à garder des employés qui font de la troisième qualité et nous les remercions.

Q Gardez-vous longtemps des employés qui d'après vous ne produisent que de la troisième qualité?

R Nous les gardons pas.

Q Est-ce que l'ouvrier peut exercer une sorte de controle, peut se rendre compte par lui même de la qualité de soit qu'il produit? R Oui, pour toutes les soies tissées nous donnons à l'ouvrier une marge de certains défauts, par exemple une classe A est marquée A, on lui donne une marge de trois ou quatre défauts dans 60 yards.

Q Et la deuxième qualité? R La deuxième qualité c'est au-dessus de quatre défauts.

Q Et la troisième qualité? R C'est la qualité que nous sommes obligés de descendre avec ce qu'on appelle en anglais "job lots" qu'on est obligé de solder.

PAR MTRE LANCTOT:

Q Les employés ne se sont pas plaints de vos mesures? R Non, ils ont toute la lattitude de les controler eux mêmes.

Q Ils se sont pas plaints non plus sur la qualification de la qualité de marchandises R Non, c'est entendu.

ET LE DIT TEMOIN NE DIT RIEN DE PLUS.

Q. Sur quoi vous vous basez pour dire que vous avez
été le premier, première qualité, on donne à l'avoine
Ogé ces pour la deuxième qualité et 2 cts pour une
troisième qualité. Vous remarquerez qu'il y a une
différence marque entre la première, la deuxième
ou la première et la troisième, parce que nous tâchons
pas à gagner ces employés qui font de la troisième
qualité et nous les remercions.

Q. Gardez-vous longtemps des employés qui d'après
vous ne produisent que de la troisième qualité?

R. Nous les gardons pas.

Q. Est-ce que l'ouvrier peut exercer une sorte de
contrôle, peut se rendre compte par lui même de la
qualité de soit qu'il produit? R. Oui, pour tout
les soies tissées nous donnons à l'ouvrier une marque
[illegible], pour exemple une étoile à son
manoque a, on lui donne une marque de trois ou quatre
détenta dans 60 yards.

Q. Et la première qualité? A la première
qualité n'est pas-marqué de quatre étoiles.

Q. Et la troisième qualité? R. C'est la qualité
que nous donnons quelque ou nouvelles avec ce qu'on
appelle en anglais "job lots" qu'on est obligé de
vendre.

M. DEN. LAFONT:

Q. Les employés ne se sont pas plaints de ces
mesures? R. Non,ils ont toute la liberté
de les contrôler eux mêmes.

Q. Ils ne sont pas plaints non plus sur la qualité
moins de la qualité de [illegible]? R. Non, plus
moins.

ET LE DIT TEMOIN M. DIT NIAN EN PLUS.

ADJOURNEMENT midi et quarante cinq minutes la Cour est ajournée à 2 heures.

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ADJOURNEMENT 2 heures P.M. 1er avril 1936,

la Cour continue:

Mr. LAJOIE: I think you asked me to get a copy of the order previous to order 5, which was in force from 1928 till 1935, until they changed the minimum wage law for women. I think yesterday you mentioned that, and I got the inspector....

Me. BEAUREGARD: Je comprends que durant le témoignage de Monsieur Whitehead il a été question que l'ordonnance qui apparait au Code de Modifications, avait remplacé les ordonnances 5 et 6, qui étaient vigueur depuis le 1er septembre 1928, à ce moment là Monsieur Lajoie, s'est offert à nous procurer les ordonnances 5 et 6.

PAR M.le COMMISSAIRE: Parce que cet ordonnance vous donnerait les prix pour les femmes de 1928 à 1935. Je comprends nous allons l'accepter comme pièce et ce sera l'exhibit pièce 123.

EXHIBIT 123: Ordonnance No.6, concernant les jeunes filles et femmes employées dans l'industrie textile.

-o-o-o-o-o-o-o-o-o-o-

Par Mtre LAJOIE:

QU'IL plaise à votre Seigneurie:

Mes premières paroles doivent d'abord être l'expression, au nom de ma cliente et moi même, de la satisfaction, de notre entière satisfaction, sur la façon dont cette enquête a été présidée et conduite.

AUDIENCE reçoit et questionne cinq minutes la
Cour est ajournée à 2 heures.

COMPARUTIONS à reprise P.M. le avril 1956.

(Les deux sténos)

Me. LAMOUR: I think you asked me to get a copy of the court previous to order 5, which was in force from 1938 till 1955, until they changed the minimum wage law for women. I think yesterday you mentioned that, and I got the inspector....

Me. BARTHOLOMEW: Je soumettais que durant la tenue de l'enquête mentionnée il a été question que l'ordonnance qui apportait au lieu de modifications, avait remplacé les ordonnances 5 et 6, qui étaient en vigueur de la loi de janvier 1936. A ce moment là nous avons lu, c'est effort à nous procurer les ordonnances 5 et 6.

Par M. le COMMISSAIRE: Parce que cet ordonnance vous donnerait les deux pour les femmes de 18ans à 17 ans, et ce sera l'ordonnance plus [illegible] et ce sera l'ordonnance plus [illegible].

Par Mme LAMOUR:

Q. [illegible]

Mon prédécesseur m'avait dit, [illegible] d'approuvée, ne sont de ce client et mal mine, la satisfaction, du moins entière satisfaction, que [illegible] soient acquis à la publicité et communiqués.

Dès le début de cette enquête j'ai déclaré que l'on pouvait compter sur l'entière et généreuse coopération de la compagnie Wabasso, et je crois que l'on pourra nous rendre témoignage que nous avons tenu parole.

Nous avons fourni tous les renseignements que nous avions, et que nous possédions.

Les officiers et les membres du Local 2467, de l'Union des Tisserands d'Amérique doivent reconnaitre aussi que la promesse qui leur avait été faite par l'Honorable Ministre du Travail, dans son télégramme du 29 février 1926, à l'effet qu'une enquête serait tenue à Trois Rivières par la Commission Royale qui venait d'être nommée, leur donnerait la libre faculté d'exposer devant cette Commission les griefs ou les réclamations qu'ils pouvaient avoir.

L'enquête a démontré qu'ils ont eu toute la latitude voulue pour se faire.

Un brillant avocat de Montréal s'est chargé de questionner les témoins; les représentants de l'Union ouvrière avait leur procureur, qui a suivi l'enquête, et qui s'est occupé de leurs cas, et je crois qu'eux aussi doivent être très satisfaits. D'ailleurs ils l'ont déclaré par la bouche de leur procureur lorsque leur enquête a été terminée.

L'enquête a duré six jours.

Elle a porté si nous resumons l'enquête sur cinq points.

Premièrement, sur la grève qui a éclaté le 26 août 1935, dans la soirée, et qui s'est terminée le 28 août 1935.

L'enquête a porté aussi sur la grève qui a éclaté le 18 février au soir, 1936, et qui s'est terminée le 2 mars 1936, ce qui fait que cette grève a occasionné douze jours de chomage aux deux milles personnes de Trois Rivières, qui travaillaient à la Wabasso, et nous devons en conclure que ce fut une perte très considérable d'argent chez les employés de la compagnie, sans compter les dommages que la compagnie a subi par suite de cette cessation forcée du travail, qui a dû les affecter grandement dans leur production, dans l'accomplissement des obligations qu'elle avait contractées auprès de leurs clients, et qui peut les affecter à l'avenir dans les contrats qu'elle pourra prendre de ses clients, vu l'instabilité du travail dans cette région.

L'autre question sur laquelle on a enquête c'est sur les conditions du travail dans l'usine.

On a aussi enquêté sur les salaires gagnés par les ouvriers.

M. McRuer s'est occupé des deux autres points, savoir? sur la structure financière de la compagnie, et sur l'influence qu'a eu le tarif protecteur sur la production de la compagnie, et les salaires payés aux ouvriers.

Je vais, aussi rapidement que possible, traiter de ces points là.

Examinons les griefs par ordre chronologique.

En 1935, dans les lois du travail s'est produit ce qu'on pourrait appeler un changement radical.

A la dernière session du parlement fédéral, il a été passé une loi de limitation des heures du travail (chapitre 63 à la page 357) de la loi

limitant les heures du travail.

Cette loi est devenue en force le 5 juillet 1935.

Par cette loi la semaine a été réduite à quarante huit heures de travail, et la journée d'un ouvrier à huit heures.

Pendant que cette loi devenait en force, la loi provinciale des établissement industriels, chapitre 182, page 8 du Volume de Codification, que vous avez devant vous a aussi été amendée quant à l'article 17a, à la page 12.

Par cet article il était permis de changer les équipes de travailleurs. C'est à dire que sur un permis de l'inspecteur, il pouvait y avoir deux équipes, composées d'hommes et de femmes, dans les vingt-quatre heures de travail à la compagnie.

La compagnie Wabasso eut la permission de faire deux équipes de femme. A la compagnie Wabasso il y avait trois équipes de travailleurs, mais les femmes ne travaillaient et n'avaient droit de travailler que sur une équipe, car en plus de la loi du travail des femmes, une femme ne pouvait pas travailler plus tard que six heures du soir.

Alors il a fallu, en présence de ces deux nouvelles lois, que la compagnie modifie les équipes qui travaillaient à son emploi, et cela s'est produit au commencement du mois d'août 1935.

La compagnie qui avaient deux équipes d'hommes qui travaillaient de quatre heures à minuit et de minuit à huit heures du matin, et les femmes ne travaillaient que sur le quart du matin à quatre heures de l'après midi.

Se prévalant de la loi, on ne peut pas les blamer,

limitant les heures du travail.

Cette loi est devenue en force le 8 juillet 1906.

Par cette loi la semaine a été réduite à quarante-huit heures de travail, et la journée d'un ouvrier à huit heures.

Lorsque cette loi fonctionnait en force, le loi provinciale des établissements insalubres, chapitre 150, page 8 du volume de codification, que vous avez devant vous, à l'article [illegible] à l'article 174, à la page 152.

Par cet article il était permis de changer les équipes de travailleurs, c'est à dire que sur un permis de l'inspecteur, il pouvait y avoir deux équipes composées d'hommes et de femmes, sans les vingt-quatre heures de travail à la compagnie.

Le conseiller Ashwood est la permission de faire deux équipes de femme. A la compagnie Ashwood il y avait [illegible] travailleurs, mais les femmes ne travaillaient et n'avaient droit de travailler que sur une équipe, car en vertu de la loi de travail des femmes, une femme ne pouvait pas travailler plus que six heures du soir.

Alors il a fait, en présence de ces deux [illegible] lois, que la compagnie modifie les équipes pour travailleurs à son avantage, et cela s'est produit en commençant au mois d'août 1906.

La compagnie qui avaient deux équipes d'hommes qui travaillaient de quatre h ures à minuit et de minuit à huit heures du matin, et les femmes ne travaillaient que sur le quart du matin à cette heure de l'après midi.

A prévalant de la loi, on ne peut pas les blame

ils ont prix pour les deux équipes qui travaillaient de jour, puisque les femmes pouvaient travailler jusqu'à onze heures du soir, ils ont pris sur le quart, la deuxième équipe de jour, un grand nombre de femmes, ce qui a occasionné le renvoi d'un grand nombre d'hommes, environ cent nous dit M.Whitehead, et quand on regarde les exhibits qui ont été produits, je crois que c'est l'exhibit 76, on voit que c'est une différence de cent femmes de plus qui ont travaillé en 1936 qu'en 1935. On voit la différence.

Alors la compagnie se prévalant de la loi a demandé une autorisation d'avoir une équipe de femmes, de trois heures de l'après midi à onze heures du soir, autorisation qui a été donnée. L'exhibit est produit, M.Carle est venu l'identifier et l'a produit.

Or, au 1er août, la compagnie avait trois équipes de travailleurs, de sept heures du matin à trois heures de l'après midi, composées d'hommes, de femmes, de jeunes filles et de jeunes gens, de trois à onze une autre équipe composée d'hommes, de femmes, de jeunes filles et de jeunes gens, et de sept heures ou plusot de 11 heures du soir à sept heures du matin, une équipe composée d'homme.

Jusque là tout est suivant la loi, personne ne peut se plaindre. On ne peut pas reprocher à la compagnie dans une industrie légère comme celle du coton, où la femme fait un aussi bon travail que l'homme, d'avoir engagé des femmes pour remplir une partie de cette équipe.

C'est là que le trouble a commencé à se faire sentir. C'est par ce changement technique que nous retracons, que nous trouvons la racine, la source de tout le trouble.

lle ont pris pour les deux équipes qui travaillaient
leur, puisque les jeunes nouvelles travailleuses étaient
une nouvelle du pays, elle est allée sur le quai, à
Lexington Corps de jeune, un grand homme de Toronto,
on vit s'approcher la navel d'un grand monsieur d'une
ses, quelque sont nous dit à un homme, et quand on
commence les exactitude qui sont très grandes, je crois
que c'est l'amant ?", on dit que c'est une dis-
tresse en cent lumes de lune qui est travailli
lors qu'on 1000. On voit la différence.

Alors il commence à activement se lid à tous
une autrechose de voir des lumes de Toronto. Le
grand homme de l'où où à une tension en ami,
[illegible] qui a vu monde. Il [illegible]
Mais et vous l'Ouvrier et M'a prendre.

Or, en fin août, la compagnie avait trois équipes
de travailleurs. Ce qui forme en moins à trois
heures de l'après-midi, compagnies d'hommes, de femmes
de jeunes filles et le jeunes gens. Ce trois à une
une e une équipe composée d'hommes, de femmes, de
jeunes filles et de jeunes gens, et ce sont ceux
qui plaisent ce il mieux du soir à sont venus de ce lieu
une autre compagnie d'hommes.

Depuis ici tout est devant la lé, parce ne
sont ce clients. On ne peut pas regrouper à la com-
pagnie dans une industrie légère comme celle de
ci il faut vit un autre bon travail ce l'homme,
[illegible]
[illegible].

"Et là que le trou se commence à se faire
[illegible]. Alors que, il [illegible]
[illegible], que nous trouvons le matin, le moins de
tout le travail.

A la lumière des témoignages, nous voyons que les 6, 7, et 9 août 1936 s'est formée l'Union Internationale. On trouvera ça dans le témoignage de Monsieur Fortin, à la page.....(je ne veux pas prendre le temps de la Cour).

Cette union s'est formée, et en même temps que cette union, vu le changement des équipes, dans un but de bonne administration des affaires des employés de la compagnie, le 17 août 1935, se formait aussi le Comité Industriel, composé de un représentant ou deux représentants, pris dans chaque département et dans chaque équipe de travail, choisis sur les trois équipes de travail durant les vingt-quatre heures.

Ce Comité était composé de quarante-sinq employés choisis librement, au dire de M. Whitehead, et ça n'a pas été contredit, qui dit que ses contremaîtres ont suggéré un nommé Lemay, et Monsieur Fortin l'a battu aux votes.

Ce comité a commencé à siéger le 17 août 1935 et a siégé périodiquement, même M.Fortin nous dit qu'il a assisté à plusieurs réunios, qu'à cette assemblée M.Whitehead était présent, qu'ils discutaient les questions qui intéressaient les ouvriers, des griefs ont été exposés, et le comité a continué de siégé. On ne se plaint pas de ce comité, et ce comité a siégé le 17 août et dans la suite.

Le 26 août, sans aucune nouvelle de quoique ce soit, sans avertissement aucun, sans entente préalable avec la compagnie, il y a absolument rien dans le dossier qui fasse mention de la chose- le 26 août les employés se réunissent, ils étaient au début de

- 4 -

Les 5, 7, et 9 août ils n'ont rien fait pour l'union intern-
nationale. On trouvera ce dans le tome-page de
[illegible], à la page.....(je ne tome pas
le tome ce la cour).

Cette union s'est formée, et on sait bien que
cette union, ou le gouvernement son [illegible], dans un
ut de bonne administration des affaires des employés
ce in commerce, le 17 août 1918, on formait avant
le Conseil industriel, composé de un représentant et
deux représentants, qui sont compris maintenant et
dans chaque groupe de travail, comme ce les trois
équipes de travail dans les vingt-quatre heures.

Le Conseil étant composé de quatre-cinq employés
et trois représentant, on dire ce [illegible], et ça
n'a pas le contraint, qui dit que ces [illegible]
[illegible] [illegible], et [illegible]
[illegible] aux voies.

Ce comité a commencé à siéger le 17 août 1918 et
a siégé périodiquement, même [illegible] que'il
a soumis à plusieurs reunions, qu'à cette raison le
[illegible] [illegible] [illegible], [illegible]
[illegible] qui [illegible] les [illegible], [illegible]
ont été accusés, et le comité a continué de siéger.
On ne sait pas ce ce [illegible], et ce comité a cessé
17 août et dans la suite.

Le 26 août, nous avons [illegible] de [illegible]
[illegible], [illegible]
[illegible] avec la compagnie, il y a seulement [illegible] dans
le [illegible] qui [illegible] [illegible] de le [illegible]- Le 26 août
[illegible] se [illegible], [illegible] [illegible] [illegible]

la formation de leur union, ils ne devaient pas être nombreux, puisqu'ils étaient 447 en janvier pour voter la seconde grève, décident de se mettre en grève.

Monsieur Bastien leur conseille de ne pas se mettre en grève.(C'est à la page 595 du témoignage de M.Bastien)

Ils décident la grève, et l'équipe qui devait rentrer à 11 heures du soir n'a pas pu rentrer. On s'empare de la propriété de la compagnie, on empêche que que ce soit de pénétrer dans le moulin, et ça dure deux jours.

Le maire intervient, prépare une proposition de règlement qui est soumis à la compagnie, et l'attitude de la compagnie a toujours été la même. Nous sommes disposés de traiter avec nos employés, le comité industriel et nos employés comme employés, et je pourrais ajouter que dans le moulin, dans la rue, les gens de l'union déclaraient qu'au fond toutes les clauses mentionnées dans la proposition n'étaient pas essentielles, mais que ce qui était essentiel, c'est qu'on voulait dès le début, pour donner à cette organisation une force immédiate, faire reconnaitre l'union Internationale par la compagnie.

Et, pour attirer les ouvriers à entrer dans cette union, on a mis la clause de 15% d'augmentation de salaire. On disait: rentrez dans l'union et vous allez avoir 15% de plus.

La grève n'a pas été très longue et a duré deux jours, grâce à l'intervention du maire.

Au bout de deux jours, le 23 au soir la grève s'est terminée. M. Bastien et M.le Maire se sont

la formation de leur union, ils ne devaient pas plus
nombreux, mais qu'ils étaient déjà en position pour
voter la réforme grève. Décidons de se mettre en
grève.

Monsieur Bastien leur conseille de ne pas se
mettre en grève. (Voir à la page 976 du témoignage de
l'enquête).

Ils décident la grève, et l'équipe qui devait
rentrer à 11 heures du soir n'a pas pu rentrer. On
s'empare de la propriété de la compagnie, on empêche
que ce soit le contremaître dans le moulin, et ça dure
deux jours.

Le maire intervient, propose une proposition de
règlement qui est soumise à la compagnie, et l'attitude
de la compagnie a été la même. Nous avons
recours de traiter avec mon analyse, le comité in-
dustriel et mon analyse comme analyse, et je pourrais
ajouter que dans le moulin, dans la rue, les gens de
l'union déclarent qu'on fait toutes les choses mon-
trées dans la proposition n'étaient pas essentiel
mais que ce qui était essentiel, c'est qu'on voulait
la droit, pour donner à cette proposition une
force immédiate, dans conséquence l'union intervin-
drait pas la compagnie.

M. pour utiliser les ouvriers à rentrer dans cette
usine, on a mis la clôture ou les d'emmenottement de
la rue. On était: laissez dans l'union et vous
allez avoir les de jour.

La grève n'a pas été très longue et a duré deux
semaines, grève à l'intervention de la ville.

Au bout de deux jours, le [illegible] a pris
l'ont terminée. M. Bastien et M. la Maire de Saint

rendus à l'Arena, ont fait un discours. On dit: tout est réglé. Les employés retournent à l'ouvrage, ça va bien. La compagnie a dit: nous reprendrons les hommes mariés et les soutiens de familles que nous avions envoyés pour faire notre troisième équipes.

Des listes ont été échangées entre les employeurs et les employés.

Durant l'examen de M.Whitehead nous avions cette liste. M.Whitehead a déclaré sous serment que les hommes avaient été repris,tous ceux qu'il avait pu reprendre, sauf ceux qui étaient malades, qui avaient quitté l'emploi de la compagnie pour ne plus revenir, ceux qui étaient en dehors de la ville, ou qui n'avaient pas pu passer l'examen médical. Nous l'avons établi, nous le soumettons, d'une façon très claire.

L'ouvrage reprend le 29 août 1935, et tout marche jusqu'au mois, jusqu'au milieu d'octobre, où un incident se produit.

Une demoiselle Yvonne Laquerre, qui était vice-présidente de l'Union internationale, section des demoiselles ou des dames, a eu une altercation avec son contremaitre Monsieur Fortier, et a été remercié de ses services. Cette destitution n'a pas eu l'air de plaire aux membres de l'Union, et à partir d'octobre l'on voit que l'on cherche de toute façon à faire rentrer Mademoiselle Laquerre à la compagnie.

Blamer la compagnie, avec la preuve au dossier, d'avoir renvoyé Mademoiselle Laquerre, quand elle même admet avoir eu une altercation avec son contremaitre et ne pas avoir écouté?

Les évènements marchent, nous sommes rendus au mois de janvier 1936. Comment, à quels propos, nous l'ignorons, mais tout ce que nous savons c'est que le 23 janvier 1936, une grande assemblée des grévistes eut lieu à leur salle, un un bulletin de vote leur est présenté, et on leur soumet des points qui apparaissent sur l'exhibit 48. Un vote est pris, 444 votent pour et 4 votent contre.

Nous demandons à Monsieur Fortin, président du local qu'est-ce que voulait dire ce bulletin. Nous avons voté la grève dit M. Fortin, M. Fortin a déclaré que le 23 janvier 1936, ils avaient voté la grève.

Que se passet-il après?

Les évènemants continuent. Ce n'est que le 4 janvier 1936, qu'une lettre était adressée à M.Whitehead, qui accompagnait le projet d'entente. Cette lettre forment l'exhibit 47.

On demande à Monsieur Whitehead les choses qui ont été discutées. Je n'entrerai pas dans le détail Votre Seigneurie l'avez entendue commenter,

Tout ce que j'ai à dire c'est que les représentants de l'Union se sont rendus le 7 février 1936 au bureau de M. Whitehead, et lui a dit -- M. Fortin l'a admis- "notre mission est de vous présenter ce contrat pour signature, si vous ne signez pas nous retournons à l'union et leur disons que vous avez pas signé.

M.Whitead leur dit: je ne peux pas signer ce contrat là. La discussion n'a pas été longue, les unionistes sont retournés à leur salle.

Que s'est-il pass,? Monsieur Fortin nous le dit. Les 8,9,10 février ils ont tenus des

assemblées, et ils ont discuté.

Le 15 février un autre évènement est survenu. C'était un samedi, Monsieur Fortin, président de l'Union, travaillait dans le département des couleurs. Il admet lui même que dans ce departement, l'ouvrage n'était pas ce qu'il devait être dans ce temps là, il a fallu reculer un homme et c'est lui qui a été reculé.

A-t-il prouvé une injustice dans ce cas là. Nous lui avons demandé par qui il avait été remplacé, il nous dit: par M. Platt, et nous lui avons fait dire que c'était un contremaitre, car il y avait une jeune fille au bureau qui travaillait, et que c'était l'homme bureau. Sur une question plus pressée il a admis qu'au bureau il y avait une jeune fille.

Il a été reculé, mais il est encore sur la liste de ceux qui, quand il y aura de l'ouvrage dans le département travailleront.

Ca été l'étincelle qui a déclanché la grève du 18 février 1936, et vous allez voir que les évènements se sont précipités.

Dès que M. Fortin est destitué, le samedi 15 février 1936, dès le 16 le dimanche, c'est pressé, on réuni une assemblée, et on décide de se mettre en grève. On va, on ne se sentait pas forts. M. Bastien nous a dit qu'il leur avait conseillé de ne pas se mettre en grève. Ne faites pas la grève, nous dit M.Bastien, tachez donc de vous arranger.

C'est pressé, et comme je leur ai fait,dire, c'était le temps de leur donner et on l'a donné.

Mais ils manquaient de force, le nombre pour rendre cette grève plus effective, et on va le 17 à

mécanicien, et ils ont cherché.

Le 12 février en année générale est arrêté.

C'était un ancien, homelant de 1a, appartenant au l'unique, travaillait sous le département des contrôles. Il ainsi lui même ou dans ce département, l'ouvrage n'était pas ce qu'il se mit être dans ce temps là. Il a tuée, rouline un crime et c'est lui qui a été inculpé.

A-t-il commis une injustice dans ce cas là. Nous lui avons demandé pour qui il avait été condamné il nous dit: par M. Hatt, et nous lui avons dit qu'il n'était un contremaître, car il y avait une jeune fille au nom qui travaillait, et ce n'était l'homme. Par la question que nous lui a même qu'en réalité il y avait une jeune fille.

Il a été réalisé, mais il est encore un la fin de ceux qui, quand il y avait de l'ouvrage dans le département travaillent.

Ce été l'attitude qui a déclaré la grève le 18 février 1946, et vous allez voir que les grévistes ne sont pas satisfaits.

Dès que M. Martin est destitué, le mardi 19 février 1946, dès la 1a fin semaine, n'est rien revenu une anomalie, et on décide de se mettre en grève. On va, on ne se contente pas de. L. Martin nous a dit qu'il leur avait promis de ne se mettre en grève. Ne faites pas la grève, nous dit à Bastien, trouve donc de vous arranger.

C'est grave, et comme le leur a dit Martin, n'avait le temps de leur donner et on l'a donné.

Mais ils manquaient de force, le nombre pour mettre cette grève plus effective, et on va le 17 à

une assemblée du Conseil des Métiers et du Travail, qui représent à Trois Rivières l'Union Internationale des faiseurs de papiers, de l'International Paper, de la St.Lawrence, et je crois de la Canada Iron Foundries.

Monsieur Fortin nous dit qu'il est sorti de là avec l'appui moral et physique de cette union très puissante à Trois Rivières, car l'International Paper, la St.Lawrence Paper, et la Canada Iron Foundries, sont ce qu'on appelle des "closed shops" des shops à union complète.

Da 17 février 1936 on revient aux salles, et dès le 18 après midi,une convocation urgente est faite des membres de l'Union. Il y en a qui travaillent sur les quarts, bas besoin d'eux pour décider sur ce qu'il y a à faire. Ceux qui travaillent de sept heures du matin à trois heures de l'après midi,n'ont pas été consultés, ça pressait.

On fait une assemblee d'urgence. Le 18 après midi on décide qu'à 11 heures du soir personne entrerait, et effectivement le piquet s'organise et on empêche les gens de la compagnie d'aller sur leur propriété. On s'empare de force et violence de cette proprité. On dit à 1200 à 1500, quelque soit le nombre, que la cause est juste et cela suffit, on empêche tou les autres ouvriers volontaires, qui voulaient aller travailler, de rentrer à l'ouvrage, et cela a duré huit jours.

Durant ces dix jours on a des pourparlers, des projets d'ententes ont été soumis, le maire est venu à la rescousse, a fait son possible, a consacré

une association du Conseil des Métiers et du Travail, qui représente à Trois Rivières l'Union Internationale des Travailleurs de papiers, de l'Imprimerie, Papier, de la St.Lawrence, et le Conseil de la Canada Iron Foundries.

Monsieur Martin nous dit qu'il est sorti de là avec l'appui moral et physique de cette union très puissante à Trois Rivières, car l'International Paper, la St.Lawrence Paper, et la Canada Iron Foundries, sont ce qu'on appelle des "closed shops" des shops à union complète.

Le 17 février 1936 on revient aux salles, et là à le 18 après midi, une convocation urgente est faite des membres de l'Union. Il y en a qui travaillent sur les quarts, les besoin d'eux pour décider sur ce qu'il y a à faire. Ceux qui travaillent de sept heures du matin à trois heures de l'après midi, n'ont pas été consultés, ya crassait.

On fait une assemblée d'urgence. Le 1 après midi on décide qu'à 11 heures du soir personne entrerait, et effectivement le piquet s'organise et on empêche les gens de la compagnie d'aller aux [illegible]. [illegible] qui voulaient aller travailler, de rentrer à l'ouvrage, et cela a duré huit jours.

Durant ces dix jours on a des pourparlers, [illegible] à la raisonnée, a fait son possible, a conservé

tout son temps, ses dévouements, pour tacher d'en venir à une entente.

Il a été adressé des projets d'entente qui ont été produits, Le no. 49.

En le lisant on voit que cinq des principaux employés de l'Union Internationale se constituent le Comité Industriel et ils se réservent dans ce projet, le droit de remplacer eux mêmes toutes vacances qui pourraient arriver.

Vous voyez d'ici qu'il s'agissait pour l'Union Internationale de mettre un pied solide dans le moulin et parler avec la compagnie comme égal à égal, on voulait dire: ils fournissent le capital nous fournissons le travail, ils voulaient séparer ça en deux, ce n'est pas mis en lettre mais on le comprenait très bien.

Ils sont allés voir les autorités de la compagnie, et la compagnie n'a pas voulu traiter jamais avec l'Union Internationale comme union, mais avec ses employés comme employés, et la compagnie le disait au maire, que les employés reprennent l'ouvrage et nous traiteront avec eux.

Avant de partir, avant de quitter l'ouvrage, avant de commettre cet acte de grève, ils n'en ont pas parlé, ils ont décidé de faire la grève et ils voudraient maintenant revenir de ce coté-ci de la cloture.

Nous avons le comité Industriel, si ils ne sont pas satisfaits, nous discuteront de la régie interne de ce comité, ce n'est pas par une grève que vous allez nous forcer la main et nous obliger à nous rendre aux conditions que vous voulez nous imposer.

but son verre, au moindre heurt, pour tomber d'en
venir à une entente.

Il a été décrété des projets d'entente qui
ont été rejetés, le no. 49.

En le lisant on voit une sorte de [illegible]
[illegible] de l'Union internationale où [illegible]
[illegible] ensemble ici et ils se [illegible] dans ce [illegible]
le droit de [illegible] [illegible] toutes [illegible]
[illegible].

Vous voyez d'ici qu'il s'agissait pour l'un
[illegible] de mettre un pied-neige dans le [illegible]
[illegible] à [illegible], on
voulait dire: ils [illegible] le capital [illegible]
[illegible] le travail, ils voulaient [illegible] [illegible]
se n'est pas mis en [illegible] [illegible] la [illegible]
[illegible].

Ils sont allés voir les [illegible] de la [illegible]
[illegible], et la chose ne s'est pas [illegible] [illegible]
avec l'Union internationale comme [illegible], mais avec
des employés comme employés, et la [illegible] [illegible]
en [illegible], que les employés [illegible] l'[illegible] [illegible]
[illegible] traitement avec eux.

Avant de partir, avant de [illegible] l'[illegible],
[illegible] de commencer cet acte de [illegible], il n'en est [illegible]
[illegible], ils ont décidé de tirer la [illegible] et ils [illegible]
[illegible] [illegible] de ce [illegible]-ci de [illegible].

Dans après la [illegible] [illegible], si ils [illegible]
[illegible] de la [illegible] [illegible]
[illegible], ce n'est pas une [illegible] que [illegible]
[illegible] forcer la main et nous obliger à [illegible]
[illegible] conditions que vous voulez nous imposer.

Qu'est-ce qui est arrivé. On pensait qu'elle était pour durer moins longtemps. La misère s'est répandue dans la ville, ceux qui n'avaient pas d'ouvrage demandaient de l'ouvrage, on est allé trouver le maire, on a insisté alors pour que le conseil de ville remplisse son devoir, le conseil s'est réuni, le jeudi 27 février 1936, et a pris une décision. Nous avions ici la police provinciale, environ 100 polices provinciales qui aidaient notre police locale à garder la propriété, les millions de dollars de propriété. Il a été décidé d'ouvrir le 28 au main.

Le conseil a fait demander les représentants de l'Union et de la compagnie et il a été décidé, dans le but d'éviter l'émeute, de temporiser jusqu'au lundi matin.

C'est à la dernière minute, je le soumets respectueusement, je le prétend et l'allègue, ce n'est qu'à la dernière minute, après que toutes les chances de succès du coté de l'union, diminuaient de jour en jour, et c'est en désespoir de cause qu'on a jeté vers Ottawa les yeux, et qu'on a demandé du secours de coté. C'est à ce moment que les télégrammes se sont échangées, et la compagnie a consenti à attendre au lundi pour ouvrir ses portes.

Les portes ont étéouvertes, le travail est repris.

Je tiens à le déclarer, de la grève du mois d'août à la grève de février il n'y a aucune relation, et vous le voyez par l'exhibit P.26, le communiqué du comité exécutif le déclare dans le Nouvelliste, et il n'a pas été désapprouvé et a été reconnu.

n'est-ce pas cet arrêté. Du moment qu'elle
était pour avoir moins longtemps, la mairie s'est
dépêchée dans la ville, sans qu'on n'entendît pas d'où-
[illegible] de l'ouvrage, en cette ville ouvrière
la mairie, on a insisté alors pour que le conseil
de ville sans bleus ou devoir, le conseil s'est réuni,
le jeudi 27 février 1968, et a pris une décision.
Il a exigé tout la police municipale, environ 100
policiers provinciales qui étaient notre police locale
pendant la propriété, les milliers de policiers de
propriété. Il a été décidé d'ouvrir le 28 au matin.
Le conseil a tout commencé les représentants
de l'union et de la compagnie et il a été décidé,
dans le but d'éviter l'émeute, de temporiser jusqu'au
lendemain matin.
J'étais la première minute, je le promets
solennellement, je la jurerai et j'atteste.
Il n'est qu'à la première minute, après que toute
la commission de succès de cette de l'union, terminée à
une jour en jour, et c'est en désespoir de cause qu'un
jeune vous [illegible] les jeux, et qu'on a commencé du
[illegible] de cette. J'ai à ce moment que les [illegible]
[illegible] ont [illegible], et la compagnie a commencé
[illegible] [illegible].
Les autres ont [illegible], la travailleurs
[illegible].
Je viens à le [illegible]. Ce le [illegible] on
[illegible] c'est à la suite de [illegible] il n'y a aucune
[illegible], et vous a vous pas l'[illegible] [illegible]. Le
[illegible] de compte exactement le [illegible] dans la
[illegible], et il n'a aucune [illegible] [illegible] [illegible]
[illegible].

Ce qui est exact c'est que le compromis a été observé à la compagnie, les gens sont à l'ouvrage, l'usine marche et tout va bien.

Voilà pour la grève.

Peut-on blamer la compagnie, est-ce qu'elle a fait dans cette grève d'août ou de février, des actes responsables, repréhensibles, pour permettre à la Commission de dire: vous n'avez pas observé la loi. Tout ce qu'on peut lui reprocher c'est de ne pas avoir voul traiter avec l'Union des tisserands d'Amérique, il n'y a rien qui la force de faire ça.

Le deuxième point. Les Conditions de Travail.

Je les ai résumées hier en peu de mot dans l'interrogatoire de Monsieur Whitehead. Il a été établi que depuis des années on ne s'est pas plaint de ces choses là. L'inspecteur Carle a passé par les cabinets, il a constaté qu'il n'y avait pas de couverts, il en a fait la remarque, la compagnie a dit qu'elle avait l'autorisation de l'inspecteur de Québec. Nous avons la lettre ici. Il n'y a pas lieu de faire une enquête voyage sur les sièges de cabinets.

La compagnie a déclaré que l'ordre était donné de changer ces bols de cabinets, ou d'avoir des couverts.

La même chose s'applique pour les chaises, l'on a pas eu de plaintes pour les chaises, et je crois que monsieur Beauregard plaisantait quand il a fait la remarque que les chaises n'avaient pas de dos.

- qui est exact c'est que la commission a été observé à la commission, les gens sont à l'ouvrage l'usine marche et tout va bien.

Voilà pour le grève.

Peut-on blâmer la commission, est-ce qu'elle a fait cette grève d'août ou de février, les [illegible] à la commission ou de dire: vous n'avez rien observé la loi. Tout ce qu'on peut lui reprocher c'est de ne pas avoir voulu traiter avec l'Union des travailleurs d'usines, il n'y a rien qui la force de traiter.

Le deuxième point. Les conditions de travail

Je lis si rapidement pour ne pas de mot dans l'interrogatoire de Monsieur Mitchell. Il a été établi que depuis deux ans on ne s'est pas plaint de ces choses là. L'inspecteur devrait a passé par les cabinets, il a constaté qu'il n'y avait pas de couverts, il en a fait la remarque, la commission a dit qu'elle avait l'intention de l'inspecteur de travail. Nous avons la lettre ici. Il n'y a pas lieu de faire une enquête après sur les ailes de cabinets.

La commission a déclaré que l'usine était dans le manque de bois de cabinets, on s'avait des [illegible].

La même chose s'applique pour les chaises. Il n'a pas eu de laitées pour les ouvrées, et [illegible] chaises sans dossier [illegible] plaisamment [illegible] il a fait la remarque que les chaises étaient [illegible] les [illegible].

L'unique raison pour que les chaises n'aient pas de dossier, c'est que les employés eux mêmes ont déclaré qu'ils préféraient ne pas en avoir. Si les employés le désire, que le comité industriel fasse une demande, et des chaises avec dos seront procurés, c'est un détail insignifiant dans l'organisationéd'une compagnie comme la Wabasso.

Maintenant, au point de vue de ce qui a scandalisé Mademoiselle Paris. Elle l'a dit à personne, elle a gardé son scandale pour elle même, elle n'a pas osé en avertir les officiers, qu'un homme ou deux avaient été vus, ça pu arriver dans les grandes chaleurs d'été, se changeaient dans la chambre du tissage.

Nous avons établi par M.Whitehead, et vous avez visité le moulin, et avez vu aux étages supérieurs, des separati ns en bois de six pieds de haut, où l'oeil des jeunes filles ne peute pas pénétrer lorsque les hommes se changent, On va etablir des enroits dans la chambre du tissage où les hommes pourront se changer.

Quant à la salle à diner, il va s'en faire prochainement et la compagnie va tenir parole, et tous ceux qui voudront y aller seront les bienvenus. Au frontispice ils verront un mot agréable.

Reste la ventilation. Nous avons un système de ventilation peut être plus parfait que la plupart des moulins. Il a été établi que ce système de ventilation est inspecté à toutes les heures, qu'il travaillait bien, qu'ile fonctionnait bien.
Je ne crois pas que l'on ait raison à se plaindre de la condition du travail pour les employés, je ne crois pas qu'il y ait lieu pour la commission de

L'unique raison pour une loi qui ne n'aient pas de cosaque, c'est que les employés eux mêmes ont [illegible] de la loi.

Si les employés le désire, que le comité industriel fasse une commande, et des chaises avec des [illegible] procures, c'est un détail inutilement dans l'organisation d'une compagnie comme la Radiaco.

Maintenant, au point de vue de ce qui a trait à la Commission Industrielle Ontario. Elle l'a dit à personne, elle a gardé son mandat pour elle même, elle n'a pas [illegible] et avertis les [illegible], [illegible] et tous [illegible] être vue, va pu arriver dans les grandes chaînes d'été, se promenant dans le compartiment du tiroir.

Nous avons [illegible] par [illegible], et tous avez vivre le monde, et avez vu aux étages supérieurs des appareils ou en bas de six pieds de haut, où l'oeil des jeunes filles ne peuvent pas pénétrer lorsque les hommes se changent, on va [illegible] des [illegible] dans la chambre du tissage où les hommes peuvent se changer.

Quant à la salle à dîner, il va s'en faire probablement et la compagnie va tout [illegible], et tous ceux qui voudront y aller seront les bienvenus. Au [illegible] ils verront [illegible] mot [illegible].

Quant la ventilation. Nous avons un système de ventilation qui être plus parfait que la plupart des [illegible] et à vie [illegible] [illegible] lation est [illegible] à tout à les hommes, qu'il travaillent bien, qu'ils fonctionnent bien.

Je ne crois pas que l'on ait raison à se plaindre de la condition du travail pour les employés, je ne crois pas qu'il y ait lieu pour la commission de

censurer cette usine, parce qu'il y a quelques cas isolés qui ont été rapportés par des témoins, et je dois dire en passant que ce sont presque tous des membres de l'Union, presque tous des témoins hostiles. Sur 2000 employés j'affirme qu'ils ont été choisis sur le volet, tous ceux qui avaient des griefs, et l'ensemble de tous ces griefs, qu'est-ce que ça fait? Ça ne fait pas un faisceau pour créer une preuve, mais des cas isolés, que l'on peut trouver dans tous les degrés, dans toutes les industries.

Si nous visitions plusieurs industries, il se glisse de ces choses, comme des gens raisonnables, s'adresser à Monsieur Whitehead, pour trouver une correction immédiate, et il n'a pas lieu de les exposer à la publicité, ni lieu dans ce cas de faire d'enquête royale.

Les salaires gagnés par les ouvriers.

Il a été établi que la loi a été suivi strictement dans toutes ses prescriptions au sujet du salaire des ouvriers. On a emporté une pile d'enveloppes, de quelles dates, nous l'ignorons, mais ce que nous affirmons, c'est qu'avant le changement des heures, c'est qu'avant le changement des trois équipes les ouvriers étaient payés suivant la loi, et qu'après le changement des équipes, ils ont toujours reçu le montant que la loi leur accordait. S'ils gagnent moins aujourd'hui qu'auparavant, c'est pas de la faute des autorités de la compagnie, mais ce sont les lois qui ont changé, qui leur permettaient avant de travailler 10 à 12 heures, et aujourd'hui de travailler sept heures, et le tarif fixé par la loi fixe le montant minimum qu'ils peuvent gagner.

cependant cette usine, vaste qu'il y a quelques ans
isolée qui est aujourd'hui entourée par des bâtiments, et
je crois bien en maintenant que ce sont presque tous
des ouvriers de l'Union, travaillant dans des tous les
industries. Sur 2 00 employés j'affirme qu'ils ont
choisi sur le volet, tous ceux qui avaient des
qualités, et l'assemble de tous ces gaiety, qu'ils-
ce que ça limit. Ce ne fait pas un fiscaud pour
une prouve. Mais nous ces ingénieurs, que l'on peut trouver
dans tous les degrés, dans toutes les industries.

Et nous visitions plusieurs industries, il
se filmes de ces choses, comme des gens préoccupés
s'adresser à Montréal multipaged, pour trouver une
connection immédiate, et il n'a pas fion de les ex-
poser à la publicité, ni rien dans ce sens de faire-
d'annonce réelle.

Les salaires payés par les ouvriers.

Il a été établi que le lot a été aussi étudié
lement dans toutes des prescriptions au point de
salaire des ouvriers. On a apporté une pile d'on-
lopes, de quelles notes, nous l'avons, mais ce ne
nous affirmons, c'est seulement le chef comme des
ouvriers, c'est seulement le chef comme des trois équi-
ses les civiles étudiant payer suivant le lot, et
qu'après la chaque semaine des employés, ils ont tout
reçu le montant que la loi leur accordait. Il
maintenant nous sommes d'aujourd'hui d'expérience, c'est pas
les frais des autorisés de la commune, mais ce
sont les lois qui ont changé, qui leur permettent
avant de travailler 10 à 12 heures, et aujourd'hui
de travailler sept heures, et la taxe fixé par la
loi fixe le montant minimum qu'il peuvent payer.

La structure financière.

Je sors d domaine de mes connaissance, mais mon confrère Monsieur McRuer a fait étaler par M. Whitehead la structure financière de la compagnie depuis 1907. Il a découvert qu'un million de dividende avait été payé en bonus. Qu'on se reporte aux années 1909, 1915, 1916, durant cette période aucune compagnie ne pouvait obtenir d'argent aux banques sans payer 7% et 8%, et le seul recours de former la structure financière c'était de donner des émissions de cébentures, On ne pouvait avoir de finances, sans y attacher l'attrait de parts de stocks commun, 20%, 25% était attaché à une débenture. Ceux qui ont souscrit des débentures pour aider à financer l'industrie, la tenir sur pied, sont eux qui ont du stock commun, et eux qui ont bénificié dans les années de prospérité, que nous entrevoyons toujours durer d'années an années. Ce ne sont pas des erreurs criminelles mais ce sont des erreurs dues à l'enthousiame du temps, tout le monde pensait que la prospérité de 1914 durerait toujours, et nous faisons tous de même. La compagnie n'a pas pu le prévoir.

M.McRuer nous dit, si la compagnie avait ce million aujourd'hui elle pourrait payer bien plus cher à ses employés. Tout le monde, même les ouvriers s'ils avaient l'argent fait pendant la guerre à Trois Rivières où ils gagnaient $2.00 à $3.00 de l'heure à faire des obus. Ils ont manqué comme nous. Ce n'est pas blamable de nous dire: vous auriez dû prévoir, tout comme eux mêmes ne sont pas blamables d'avoir fait ce qu'ils ont fait.

Les messieurs Whitehead qui ont développé cette industrie, qui ont consacré leur vie, n'ont pas 20% des parts de la compagnie, et cette compagnie ne paye pas de dividende depuis un grand nombre d'années.

Qu'y a-t-il de louche, il faut tenir compte des circonstance.

Maintenant, le dernier point. L'influence que le tarif protecteur a pu avoir sur la compagnie et les salaires payés aux ouvriers. Ca revient à la question précédente. Si les ouvriers travaillent mois, si le tarif permet à la compagnie de payer moins cher aux ouvriers, peut on les blamer de payer suivant le tarif, elle paye plus que le tarif.

Monsieur Carle, qui est venu inspecter les livres a dit qu'un grand nombre d'ouvriers gagnaient 50% de plus que l'ordonnance fixe, forçait la compagnie de leur donner. On a entendu les lamentations mais qu'est-ce que ça procure ça, Rien. On a produit un ou des enveloppe de ce que certains employés avaient gagné, dans quel temps, on le sait pas. Mais vous avez la liste de paye, le temps des hommes, on a appelé, on a dit que des employés gagnaient tant avec ce qu'on a appelé le bonus, mais qu'on aurait du appeler complément de temps. Du moment que nous pouvons expliquer le total des deux sommes gagnées pour arriver à la dernière colonne qui donne le salaire juste de l'employé c'est souffisant.

Je soumets respectueusement qu'il plaise à Monsieur le Commissaire, que dans cette enquête il a été démontré que la compagnie a fait quelque chose pour Trois Rivières, il a été démontré dans cette enquête que les employés n'étaient pas maltraités

comme on l'a laissé entendre dans l'opinion publique et peut être que ce sont des choses de peu d'importance, et qu'un peu de bonne volonté va rémédier, nous en sommes certains, avant que le rapport de la Commission ne sorte. Les cabinets seront en parfait ordre, Mademoiselle Paris ne sera plus scandalisée, Mademoiselle Laquette, c'est un autre cas de manque d'autorité, et si nous reprenions mademoiselle Laquerre, nous sanctionnerons le principe qu'un employé a droit de contredire son contremaitre, et ce serait lui donner raison. Mademoiselle Laquerre est jolie, instruite, je lui conseillerais de transporter ses activités dans un autre champ d'action...

Mtre BEAUREGARD: Se marier?

Mtre Lajoie.

se marier peut être comme le suggère mon confrère, en tous les cas aller développer son talent et son ardeur à un autre endroit.

C'est la première fois que je vois dans un vote de grève: Mademoiselle Laquerre devra être réengagé. Est-ce que c'est elle qui fait le drapeau, comme la belle Hélène de Troy, préparait la guerre, je soumetsque le drapeau est de belle couleur, mais qu'il ne saurait remporter une victoire semblable.

Quant au tarif, ces compagnies comme les compagnies de coton, qui sont sujettes à la concurrence ont besoin de protection, enlever leur la protection et vous détruisez absolument l'économie de ces companies qui emploient des milliers de personnes.

Nous soumettons en terminant que le tarif qui les protège actuellement devrait continuer à

comme on l'a laissé entendre dans l'opinion publique et peut être que ce vent des affaires ne peut d'importer et qu'un peu le bonne volonté ou prédéter, nous en sommes certains, avant que la rapport de la commission de notre. Les colonnes seront en partant ainsi.

Madomoiselle Lagrette se sera plus sensationnée, mais motaelle Lagrette, c'est un autre cas de vendre l'autorité, et si nous reprendrons mademoiselle Lagrette, nous sensationnerons la principe qu'un employé a droit de autrefois son contremaître, et ce serait lui donner tort. Mademoiselle Lagrette est jeune, une tweeds, je lui conseille de transporter ses activités dans un autre ordre d'action...

Mais MONTCLAIR le matin?

Mme Lalay.

Ce matin j'ai fait dans la journée mon courrier, en tout les ont mises dévoilé or son talent et son amour à un autre ordre.

C'est la première fois que je vous dans un vous de rêve: Mademoiselle Lagrette devra être remplacé. Dites-moi que c'est elle qui fait la journée comme la seule dépêche de Trop,présente le matin. Je commence le dimanche et ne suis coulant, mais

Quant au tarif, ces compagnies comme les compagnies de cotes, ou sont opposition à la concurrence ont droit de protection, enlever leur la protection et vous réduisez absolument l'économie de ces compagnies qui exploitent des milliers de

Mais comment le tarif ?

les protéger pour le plus grand bien de l'industrie et le plus grand bien des villes qui possèdent des industries qui emploient deux milles personnes, et empêchent des milliers de familles d'être sur le chomage.

PAR MTRE GARIEPY.

Je veux être bien bref. Après avoir entendu l'éloquent plaidoyer de mon savant ami, je puis dire qu'il a transformé l'atmosphère de cette salle en une Cour d'Assises. C'est l'impression que je retire moi même et c'est celle des ouvriers qui nous écoutent. Monsieur Lajoie a plaidé pour l'acquittement de Monsieur Whitehead et de la compagnie qu'il défendait.

Il ne faut pas oublier une chose. La Commission enquête non pas ici comme un tribunal de justice au sens de la loi, où on doit lui soumettre la preuve et bien établir que deux et deux font quatre, La Commission d'enquête est ici comme le dit l'ordre en Conseil en vertu duquel l'état actuel pourra être jugé.

Je m'en tiendrai étant donné que j'ai exposé l'attitude des gens que je représente, à savoir, les trois points soulevés: liberté d'organisation ouvrière; relèvement des salaires et reprise des gens qui ont été mis à la porte par suite de leurs activités dans les organisations ouvrières.

Je relèverai le point de la grève. M.Lajoie est injuste, il a dit que l'union avait tenté de s'organiser à Trois Rivières, en représentant qu'elle ouvrirait aux ouvriers une augmentation de 15%, il n'y a aucune preuve à cet effet, mais il y a cet élément de preuve qui ressort, c'est que la

[illegible] prosperer pour le plus grand bien de l'humanité et la plus grand nombre des villes qui composent son [illegible] et ce qui amplifiant deux milles [illegible], et [illegible] des milliers de familles [illegible] par le [illegible] MME G. [illegible] :

Je vous être bien bref, mais je crois [illegible] l'ioque et philosophe de mon savant ami, je sais que [illegible] qu'il a transformé l'atmosphère de cette belle ville [illegible] une tour d'ivoire. C'est l'impression que je [illegible] et même et c'est celle dans [illegible] qui nous [illegible] supérieur indique à plaisir sur l'importance de [illegible] milieu municipal et de la commune qu'il [illegible].

Il ne faut pas oublier une chose. La commission [illegible] non pas lui comme un tribunal de justice ou dans ce a loi, où on doit un contrôle la [illegible] et bien établir que nous et nous tout [illegible], la domination d'[illegible] est lui comme le dit l'[illegible] du soi un vaste [illegible] l'état actuel puisse être [illegible].

Je m'en tiendrai [illegible] que j'ai exposé l'attitude de [illegible] à [illegible], à savoir, [illegible] supérieure; [illegible] ces matières et [illegible] [illegible] dans les [illegible].

Je [illegible] [illegible] est injuste. Il a dit que l'union avait [illegible] s'[illegible] à [illegible], en [illegible] qu'elle [illegible] aux [illegible] [illegible]. Il n'y a aucun [illegible] est [illegible], mais il [illegible] élément de preuve qui [illegible], c'est que la

que la compagnie a continuellement, constamment refusé aux ouvriers le droit de s'organiser. On nous réplique qu'on a donné le Comité industriel. Mais qu'est-ce que c'est en définitive? Est-ce que ce sont les ouvriers qui se sont organisés ou plutot le patron qui a organisé ses ouvriers. Je dirais que le comité industriel de la Wabasso, est un rubber stand, pour les ordres de Monsieur Whitehead et les autres, et c'est ce qui est révélé dans la preuve.

Les ouvriers de Trois Rivières comme ailleurs, ne sont pas intransigeants, mais veulent leurs besoins normaux, naturelle, leur accorder ce qu'ils veulent, soit, un peu de soleil. Tout ce dont ils ont besoin c'est l'avantage de pouvoir vivre convenablement et donner à leurs femmes et leurs enfants, ce qui leur sont nécessaires, et je suis convaincu d'une chose, c'est que le Comité industriel, enfant nouve né, qui n'a pas fait de preuve encore, et qui est né dans des circonstances très suspects puisqu'il vient au monde dans les sept jours qui suivirent l'organisation ouvrières, s'il avait donné satisfaction dans les quelques mois de son existence, je soumets que les premiers à l'accepter eu sent été les ouvriers de la Wabasso.

Un autre point qui est injuste, c'est l'attitude des messieurs Whitehead vis à vis l'Union. On dit: jamais nous ne voudrons rencontrer l'Union! Cependant on admet qu'on a rencontré des ouvriers, membres de l'union, mais on a refusé de rencontrer les représentants du Travail, M. Campbell et M. Muirck, qui sont venus d'Ottawa à la demande du Ministre du Travail, aux fins de régler la grève.

Monsieur Lajoie dit que les ouvriers déclarent la grève le 28 février, rapidement, après que Monsieur Fortin eut été mis à la porte, c'est injuste encore, c'est que le vote de la grève avait eu lieu le 23 janvier, et je retournerai l'argument de Monsieur Lajoie contre lui, n'est-ce pas, c'est plutot Fortin qui a été mis à la porte de la Wabasso, parce que le 23 janvier, il y avait eu un vote des ouvriers lorsque la grève a été declarée, je suis en mesure d'affirmer que j'etais avisé le lendemain matin entre 9 et 10 heures du matin, dans mon étude d'avocats, par les représentants d'ouvriers qui sont venus à moi, me demandant si mon père était à Trois Rivières. Vu que mon père n'était pas à Trois Rivières,on m'a demandé de communiquer avec lui immédiatement,c'est ce que j'ai fait, et dans l'après midi du 29 février, où la première journée complète, où la grève a eu lieu,il y a eu une interpellation en chambre, et le lendemain même M.Campbell et M.Quirk étaient ici, et se sont offerts aux grévistes qui les ont acceptés et à l'industrie qui les a refusés. C'est ce qu'on appelle des méthodes intransigentes, et s'il n'y avait qu'un poids et qu'une mesure je soumets qu'en cette circonstance, la conduite des ouvriers a été absolument juste.

Ce sont les remarques que j'ai à faire, je les fais un peu brièvement, mais je tiens à déclarer moi aussi que les ouvriers, dont je suis chargé de l'intéret devant vous, sont très satisfaits de la façon dont ils ont été écoutés, que leurs griefs n'ont pas été prouvés avec la nécessité que requiert une preuve judiciaire, nous sommes prets à l'admettre,

Monsieur Tajola dit que les avocats demandent le prévo le 23 février, vendredi, après une semaine. Ils ont été mis à la porte, c'est injuste encore, c'est que le vrai ce le prévo avait eu lieu le 23 janvier, et je retournerai l'argument à monsieur Tajola contre lui, n'est-ce pas, c'est juste. Tout ce qui a été mis à la porte de la «bataille», parce que le 23 janvier, il y avait eu un vote sur un ordre de lorsque le prévo a été déclaré, je mets en marche d'affirmer que j'étais avec le honorable maître à la [illegible] maître du malin, dans mon étude d'avocats, en [illegible] d'ouvrir ce qui vient à moi, ne [illegible] si mon pé s'était à trois travaux. Je que non, rien n'était pas à trois travaux, on m'a [illegible] de communiquer avec les deux [illegible] que j'ai fait, et dans l'après midi en le [illegible] où le premier journée complète, où le prévo a eu lieu, il y a eu une interpellation ou chantage, et le [illegible] ce sont les journaux qui les ont occupés et à l'unanimité qui les a réunis. C'est ce qu'on dit dans [illegible], et s'il n'y [illegible] [illegible], [illegible] [illegible] [illegible].

Ce sont les remarques que j'ai à faire, je [illegible] un peu brièvement, mais je tiens à [illegible] que les ouvriers, ont je suis chargé de [illegible] dont ils ont été [illegible], que leurs griefs n'ont pas été procédés avec la rapidité que [illegible] particulière, nous comme prêts à l'accepter

mais par la preuve soumise, nous avons posé les jalons nécessaires pour faire un rapport permettant de reprocher les torts que nous reprochons à la compagnie.

Je ne toucherai pas par exemple à cette violation continue de pratiquement toutes les lois ouvrières de la province de Québec, comme le manque d'une salle à diner, de chambres de toilettes, ou encore de la protection contre les appareils industriels, Et bien mon Dieu, ce sont des points très graves, et les employés étaient justifiables de se plaindre de ça. Aujourd'hui si on encourage le mal, je crois que c'est une reconnaissance de la conduite qu'on a tenu.

Je soumets ceci à votre commission, c'est qu'il y a eu là une violation, et dès qu'un droit est violé, la partie qui est lésée a le droit de s'en plaindre de toute façon.

En terminant, je dirai ceci, le mandat que j'avais devant vous se rapportait plutot à la grève qui a été déclarée en février. Ici, d'après le télégramme de Monsieur Rogers (exhibit 50) il semblerait que les ouvriers de Trois Rivières, puissent obtenir de la Commission une appréciation, sinon une décision, relativement à la conduite qu'ils ont tenue, laquelle conduite s'est manifestée sous forme d'une grève, et je demanderais en terminant a Monsieur le Commissaire, si c'est son intention de faire une déclaration, soit immédiatement, soit un peu plus tard, en simplement l'insérant dans le rapport définitif de cette commission, ses remarques en rapport à la question de la grève à Trois Rivières.

Par M.BEAUREGARD.

[illegible]

[illegible]

[illegible]

Quand à moi monsieur le Commissaire, après avoir entendu mon confrère M.Lajoie sur les cinq points dont quatre relèvent de l'enquête générale, et dont mon confrère a parlé en citant les faits, savoir la question de l'union, de réinstaller les membres, augmenter les salaires,etc., il me reste le devoir agréable, c'est de remercier mon confrère Mt Monsieur Gariépy, et la population de Trois Rivières de l'hospitalité dont nous avons été l'objet.

Si réellement on doit entrainer avec nous quelques uns de ces messieurs, comme on l'a laissé comprendre j'en serais enchangé.

Par M.le Commissaire:

Je partage vos sentiments en ce qui regarde l'hospitalité reçue à Trois Rivières, et l'aide de messieurs les avocats dans cette enquête.

Vous savez tous n'est-ce pas que nous ne sommes pas venus ici en vertu de la loi Lemieux, comme conciliateur ni comme arbitre pour régler la grève, mais pour étudier la question générale, pour ce qui regarde ici la ville des Trois Rivières. Les conclusions auxquelles j'en arriverai regardant la grève feront certainement partie dans le rapport, soit dans le rapport intermédiaire, soit dans le rapport final que je ferai sur l'industrie en général.

Les questions que nous avons discutées ici se rapportent nécessairement, dans leur entier, à la matière de la commission, puisque je suis chargé n'est ce pas, au moins à la fin de l'enquête de donner au Gouvernement les recommendations que j'ai à faire, et les conclusions auxquelles j'arriverai moi même, en ce qui regarde les interets des employs, du public

Quand à moi, monsieur le Commissaire, après avoir entendu mon honorable M.Lajoie sur les cinq moyens quelques relevant de l'ancienne procédure, et dont mon confrère a parlé en citant les textes, savoir la question de l'ordre, de retourner les documents, augmenter les salaires, etc., il me reste la seule question, c'est de discuter mon confrère M. Hanson, savoir, en la possibilité de l'ordre dirigeant de l'une des parties il est dit nous à vous dit l'objet.

Et maintenant on doit entendre mon ami quelques mots de conclusions, comme on l'a lancé, conformément à ses décisions.

Je pense vous rendrons en ce qui concerne l'impossibilité requise à trois arbitres, et l'aide de nationaux les avocats dans cette occasion.

Vous savez bien n'est-ce pas que je ne suis pas venus ici en vertu de la loi nationale, comme conciliateur ni comme arbitre pour régler le procès, mais pour étudier la question en main, pour en rechercher la vraie cause directrice. Les parties demandent j'en arriverai regrettable qu'elles fassent certainement partie dans le rapport, soit dans le rapport intermédiaire, soit dans le rapport final que j'ai fait avec l'honorable ministre.

Dès que j'aura que nous a montrée sur le rapport recommandement, vous leur retirer, à la réunion de la commission, propose de mettre contre n'est ce pas, au moins à la fin de l'enquête de donner au gouvernement les recommandations que j'ai à faire et les conclusions auxquelles j'arriverai moi même, en ce qui concerne les autorités sur conclure, en quelle

et de l'industrie elle même.

Alors je considère que comme partie de cette enquête générale, j'ai puisé à Trois Rivières des renseignements très précieux. Je ne voublierai pas et ferai mention de toutes vos difficultés dans le rapport que je ferai, soit intérimaire ou un rapport final.

ALORS nous ajournons à Montréal, pour vendredi le 3 avril 1936, à 2 heures P.M.

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ROYAL COMMISSION ON TEXTILE INDUSTRY

HON. MR. JUSTICE W.F.A. TURGEON,

Commissioner,

A.S. Whiteley, Secretary,

T W E L F T H D A Y

Robert Brydie,
Official Reporter.

ROYAL COMMISSION ON THE TEXTILE INDUSTRY

HON. MR. JUSTICE W.F.A. TURGEON,

Commission.

A.S.Whiteley, Secretary.

Appearances:

J.C. McRuer, K.C. and E. Beauregard, K.C.	Commission Counsel,
J.P. Lanctot, K.C.	For Special Committee of Primary Textile Industries.
C.G. Heward, K.C. Aime Geoffrion, K.C. and C.T. Ballantyne,	For Dominion Textile Co.
S.G. Dixon, K.C.	For Courtaulds Limited,
L.A. Forsyth, K.C.	For Canadian Celanese Ltd. and Canadian Silk Products Limited.
Francois Lajoie, K.C.	For the Wabasso Cotton Company Limited.

-- oOo --

Robert Brydie,
Official Reporter.

Commission.

A.L. Murphy, Esq., K.C.

A p p e a r i n g :

J.C. Orsmby, K.C. and E. Bourgeard, K.C.	Commission Counsel.
J.C. Lanctot, K.C.	For Social Committee of Railway Textile Employees.
C.H. Tennant, K.C. John Geoffrion, K.C.) and C.F. Gallagher,)	For Dominion Textile Co.
A.A. Dixon, K.C.	For Courtaulds Limited.
I.A. Tourgis, K.C.	For Canadian Celanese Ltd. and Canadian Milk Products Limited.
Theresia Lajoie, K.C.	For the Dominion Cotton Company Limited.

-- 2(a) --

Official Reporters.

-- On resuming at 2 P.M.

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THE COMMISSIONER: All right, Mr. McRuer.

MR. McRUER: I wish to call Mr. Bornstein, my lord.

JOSEPH N. BORNSTEIN, Sworn,

EXAMINED BY MR. McRUER:

Q. Mr. Bornstein, you are with what company? A. Consolidated Silk.

Q. The Consolidated Silk Company? A. Yes.

Q. And where have they their mills? A. St. Hyacinthe, Quebec.

Q. Yes. What office do you hold with them? A.Secretary-treasurer.

Q. You are the Secretary-treasurer? A. Yes.

Q. A few days ago a report appeared in the newspapers in regard to a temporary cessation of work in your mill? A. That is right.

Q. That was during last week, was it? A. Yes.

Q. What day was it? A. Thursday noon.

Q. On Thursday at noon? A. Yes.

Q.And, according to the report in the newspapers, it was said that your mill had closed on account of Japanese competition, that you had said that. Did you make any such statement? A. No, sir.

Q. You did not? A. No, sir.

County Court,
Toronto, Ont.
3rd April, 1944

-- On resuming at 2 p.m.

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[illegible] All right, Mr. Nonnenberg.

Mr. [illegible] I wish to call Mr. Nonnenberg, my friend.

[illegible]

E. NONNEN BY MR. MONTGOMERY:

Q. Mr. Nonnenberg, you are with what company?

A. Consolidated Mills.

Q. [illegible]

Q. And where have they their mills?

[illegible]

Q. Yes. What office do you hold with them?

A. Secretary-treasurer.

Q. You are the Secretary-treasurer? A. Yes.

Q. A few days ago a report appeared in the newspapers in regard to a temporary cessation of work in your mill? A. That is right.

Q. That was during last week, was it? A. Yes.

Q. What day was it? A. Thursday noon.

Q. On Thursday at noon? A. Yes.

Q. And, according to the report in the newspapers, it was said that your mill had closed on account of Japanese competition, but you had said that.

Did you make any such statement? A. No, sir.

Q. You did not? A. No, sir.

Q. And you, I believe, had asked that it be repudiated? A. That is right.

Q. And that had nothing to do with the cause of the temporary cessation of work in your mill? A. No, it had nothing to do with it.

Q. And your mill is operating again? A. That is right.

Q. You are going on as you were before, are you? A. Yes.

MR. McRUER: All right, thank you.

MR. McRUER: Mr. Commissioner, there was one matter that was discussed at Three Rivers, and that was in regard to correspondence with the Textile Institute, which Institute was more or less an association of textile companies. Your lordship ruled, that the correspondence of the Wabasso Company should be produced, and it was produced after some discussion. I have asked that a representative of the Commission, and on the staff of the Commission- Mr. Walton - be permitted to examine the records of the Institute in Toronto, and I propose following that by an examination of the records in Montreal

Mr. Walton has been delayed for two or three days in getting access to these records. Mr. Hallam saw me yesterday and said, that he wanted to get the consent of his executive, and so on. I have not very much quarrel with Mr. Hallam taking that

Q. And you, I believe, had asked that it be repudiated? A. That is right.

Q. And that had nothing to do with the cause of the temporary cessation of work in your mill?

A. No, it had nothing to do with it.

Q. And your mill is operating again? A. The [illegible] place.

Q. You are going on as you were before, are you?

A. Yes.

[illegible]

MR. McPUBE: Mr. Commissioner, there was one matter that was discussed at Three Rivers, and that was in regard to correspondence with the Textile Institute, which Institute was more or less an association of textile companies. Your lordship ruled, that the correspondence of the Wabasso Company should be produced, and it was produced after some discussion. [illegible]

of the Commission, and on the start of the Commission Mr. Walton - be permitted to examine the records of the Institute in Toronto, and I propose following that by an examination of the records in Montreal.

Mr. Walton has been delayed for two or three days in getting [illegible] records. Mr. [illegible] was yesterday and said, that he wanted to get [illegible] his executive, and so on. I have not [illegible] with Mr. [illegible] that

precaution. He now tells me he wants the consent of his executive to those records being examined in his presence. I have not very much objection to Mr. Hallam being present when the records are being examined. At the same time, I do not want our inquiry to be delayed at the convenience of Mr. Hallam being present; and I do not want to be put to making any application that all these records be produced before the Commission. I thought I was taking the most inconvenient way to deal with the matter --

THE COMMISSIONER: You mean the most convenient way?

MR. McRUER: Yes, my lord, I thought I was taking the most convenient way, with less inconvenience to the organization, to send a man to the office to select those documents that might be relevant to our inquiry and not bring all their records before the inquiry.

THE COMMISSIONER: And was there any objection to that?

MR. McRUER: I would like Mr. Hallam to state now before the Commission just what position they take now in regard to it, so that I can govern myself accordingly.

DOUGLAS HALLAM, - called,

THE COMMISSIONER: Mr. Hallam is a witness?

MR. McRUER: I do not want to swear as a witness.

examined. At the same time, I do not want our inquiry to be delayed at the convenience of Mr. Hallam being present; and I do not want to be put to making any application that all these records be produced before the Commission. I thought I was taking the most inconvenient way to deal with the matter --

THE COMMISSIONER: You mean the most convenient way?

MR. MORDEN: Yes, my lord, I thought I was taking the most convenient way, with less inconvenience to the [illegible], to select those documents that might be relevant to our inquiry and not bring all their records before the inquiry.

THE COMMISSIONER: And was there any objection to that?

MR. MORDEN: I would like Mr. Hallam to state now before the Commission just what position they take now in regard to it, so that I can govern myself accordingly.

DOUGLAS HALLAM, - called.

THE COMMISSIONER: Mr. Hallam is a witness?

MR. MORDEN: I am not sure he never has a right

THE COMMISSIONER: But you have him on your list?

MR. McRUER: Yes.

THE COMMISSIONER: Well, Mr. Douglas, you heard what Mr. McRuer said?

MR. HALLAM: Yes, my lord. My position is this: I am secretary to Trade Associations, and I take my instructions as to my actions, and what I do, from my executive.

When I was in Montreal this week, I was advised that a Mr. Walton was in my office, and stated that he was from Mr. McRuer's office, and desired certain information. I spoke to him on the long distance telephone, and stated that I would be greatly obliged if he could wait till I caught the 3 o'clock train in the afternoon and see him next morning. That was about half past two, and I had considerable inconvenience in getting the three o'clock train, however, I did, and I met Mr. Walton next morning. Mr. Walton told me what his instructions were. He said, his instructions were to go through my records regarding curtailment particularly--

THE COMMISSIONER: Regarding what?

MR. HALLAM: Curtailment.

THE COMMISSIONER: Curtailment of what?

MR. HALLAM: I have the exact wording here, my lord; I wrote it down.

MR. McRUER: I do not think we are concerned publicly with what instructions I gave to Mr. Walton.

THE COMMISSIONER: But you have him on your library.

MR. HALLAM: Yes.

THE COMMISSIONER: Well, Mr. Douglas, you heard Mr. Hallam said?

MR. HALLAM: Yes, my lord. My position is I am secretary to Trade associations, and I take instructions as to my relations, and what I do, from my executive.

When I was in Montreal this week, I was advised that a Mr. Walton was in my office, and stated that he was from Mr. McNair's office, and desired certain information. I spoke to him on the long distance telephone, and stated that I would be greatly obliged if he could wait till I caught the 3 o'clock train in the afternoon and see him next morning. This was about half past two, and I had considerable inconvenience in getting the three o'clock train, however I did, and I met Mr. Walton next morning. Mr. Walton told me what his instructions were. He said, his instructions were to go through my records regarding curtailment certificates.

THE COMMISSIONER: Curtailment of what?

MR. HALLAM: I have the exact wording here, my lord, I could give it down.

MR. HOLDEN: I do not think we are concerned fully with what instructions I gave to Mr. Walton.

THE COMMISSIONER: Well, what did he tell you?

MR. HALLAM: I will come to that, my lord.

THE COMMISSIONER: Did he say that he wanted to see something that you objected to him seeing, or is it the manner of it that you object to?

MR. HALLAM: Well, I thought that I might have been given notice of the matter in advance.

THE COMMISSIONER: Well, you have notice now.

MR. HALLAM: And I would have been quite prepared. He said that his instructions were to look through my records as regards curtailment of production, particularly in regard to cotton and rayon cloth. He did not have any credentials; there was no letter from Mr. McRuer, or from the Commissioner. I took the trouble to telephone down to Three Rivers and have Mr. McRuer ask if there was such a man as Mr. Walton, and if he had sent him to Toronto, and the answer was Yes. I did not speak to Mr. McRuer myself.

MR. McRUER: You spoke to Mr. Berry.

MR. HALLAM: I spoke to Mr. Berry, and he spoke to you. I did not know what my position was as between myself and my members. A lot of the information which is given to me is given to me in the strictest confidence, with the understanding that I will not reveal it to any other member of the association. In addition to that, I have on my files Tariff Board reports which I have received under the Tariff Board Act. I have, for example, the secret method proposed

THE COMMISSIONER: Well, what did he tell you?

MR. HALLAM: I will come to that, my lord.

THE COMMISSIONER: Did he say that he wanted to see something that you objected to him seeing, or is it the manner of it that you object to?

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MR. HALLAM: And I would have been quite prepared. He said that his instructions were to look through my records as regards curtailment of production, particularly in regard to cotton and rayon cloth. He did not have any credentials; there was no letter from Mr. Mohner, or from the Commissioner. I took the trouble to telephone down to Three Rivers and ask Mr. Mohner ask if there was such a man as Mr. Walton and if he had sent him to Toronto, and the answer was Yes. I did not speak to Mr. Mohner myself.

MR. MOHNER: I did speak to Mr. Berry.

MR. HALLAM: I spoke to Mr. Berry, and he spoke to you. I did not know what my position was as between myself and my members. A lot of the information which is given to me is given to me in the strictest confidence, with the understanding that I will not reveal it to any other member of the association. In addition to that, I have on my files Tariff Board reports which I have received under the Tariff Board act. I have, not generally, the country census reports

by the English Delegation for ascertaining the differences in cost between English and Canadian. That document was said to be in the hands of only two or three people in Canada, and before I was given possession of it, I had to undertake that I would not reveal it to anybody. I have, in addition to that, costs of English fabrics which I have obtained in the same way. I did not, therefore, know what my position was. I sent for my own personal lawyer, and he advised me as follows: You do not want to refuse any proper request of the Royal Commission; but I would not act or do anything without the permission of your Executives, because those are the people to whom you have to look for instructions.

We explained all this to Mr. Walton and he seemed at the time satisfied. I said I was going down to Montreal that night and I would discuss the matter with Mr. McRuer.

THE COMMISSIONER: I am only concerned now with the future. You may have been justified in going about this very carefully, but from now on what is your attitude?

MR. HALLAM: I had a talk with Mr. McRuer yesterday and he said, ---

MR. McRUER: That was only in reference to your position in the future.

MR. HALLAM: Yes, as to the future, and in that discussion I understood that he did not want, at the

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MR. [illegible]:

THE COMMISSIONER: I am only concerned now wi
the future. You may have been justified in going
about this very carefully, but from now on what is
attitude?

MR. HALLAM: I had a talk with Mr. Morner
yesterday and he said, ---

MR. MORNER: That was only in reference to y
position in the future.

MR. HALLAM: Yes, as to the future, and in
discussion I understood that he did not want, at

present time to look at any tariff Board files, that they could be put to one side.

MR. McRUER: No, I did not say that.

MR. HALLAM: At the present time.

MR. McRUER: No, I did not say that. I think we should be clear on that. I said I was not concerned with the woollen industry just now, that we were busy on the cotton and rayon. You made some objection to something in connection with wollens, and I said I was not concerned with woollens, or with the woollen industry just now. I said, in regard to your very secret matter in regard to the obtaining of costs in Canada, that I was not asking for that at the present time, that you could take and lock that in the vault, if you wanted to, and put a double combination on it, because I was not interested in that at the moment.

THE COMMISSIONER: Mr. McRuer, you do know what you want just now?

MR. McRUER: Oh yes, my lord.

THE COMMISSIONER: Have you told Mr. Hallam what you wanted just now? Is there something Mr. McRuer wants personally that you object to producing, Mr. Hallam?

MR. HALLAM: If I just understand what he wants. Here is what---

THE COMMISSIONER: I mean, there is no necessity for making speeches now. I want to know whether you are going to produce what you are asked to produce from now on.

they could be put to one side.

MR. MONTGOMERY: No, I did not say that.

MR. WILLIAM: At the present time.

MR. MONTGOMERY: No; I did not say that. I think we should be clear on that. I said I was not concerned with the woollen industry just now, that we were busy on the cotton and rayon. You made some [illegible] I said I was not concerned with woollens, or with the woollen industry just now. I said, in regard to your very secret matter in regard to the obtaining of costs in Canada, that I was not asking for that at the present time, that you could take and look that in the vault, if you wished to, and put a double combination on it, because I was not interested in that at the moment.

THE COMMISSIONER: Mr. Monger, you do know what you want just now?

MR. MONTGOMERY: Oh yes, my lord.

THE COMMISSIONER: Have you told Mr. McLean what you wanted just now? Is there something Mr. Monger wants personally that you object to producing, Mr. McL[illegible]

MR. WILLIAM: If I just understand what he wants. [illegible] is about---

THE COMMISSIONER: I mean, there is no necessity for making speeches now. I want to know whether you [illegible] to produce what you are asked to produce from now [illegible]

MR. HALLAM: I have my instructions from my executives. It is very short, if I may read it. I wired to the President, Cotton Institute, -

"Will you authorize me to allow representative Mr. McRuer, counsel for Royal Commission now waiting in Toronto to examine files for last twelve months dealing with cotton rayon or silk cloth with exception Tariff Board files or material provided examination is made in my presence."

His reply was as follows:

"As anxious to cooperate with Royal Commission I am prepared on my own responsibility and without consultation with executive to authorize you act to the extent set out in your Night Letter of April 2nd."

And a letter from Mr. W.P. MacDougall, President, The Silk Association of Canada, reads as follows:

"I have read the Night Letter which you sent to Mr. A.V. Young, of the Hamilton Cotton Co. Ltd. and his reply, and I am prepared to authorize you to exactly the same extent and under the same conditions."

And I told Mr. McRuer that I was prepared to take the train tonight and work all day tomorrow, or any length of time he required --

THE COMMISSIONER: That means to say then, instead of asking Mr. Hallam to come here and bring all

MR. HALLAM: I have my instructions from my principals. It is very short, if I may read it.

I wired to the President, Cotton Institute, -

"Will you authorize me to allow representative Mr. McNaer, counsel for Royal Commission now waiting in Toronto to examine files for last twelve months dealing with cotton prices or cotton cloth with exception Tariff Board files or material provided examination is made in my presence."

His reply was as follows:

"In replies to enquiries, the Royal Commission

I am prepared on my own responsibility and with consultation with executive to authorize you to the extent set out in your Night Letter of

Yours truly, Hall."

And a letter from Mr. W.P. MacDougall, President, The Silk Association of Canada, reads as follows:

"I have read the Night Letter which you sent to Mr. A.V. Young, of the Hamilton Cotton Co. Ltd and his reply, and I am prepared to authorize to exactly the same extent and under the same conditions."

And I told Mr. McNaer that I was prepared to take of time he required --

THE COMMISSIONER: That means to say then, instead of merely Mr. Hallam to come here and bring

his material you want to have Mr. Walton go there to Mr. Hallam's office and cull out the things that really pertain to our business; the only thing is Mr. Hallam would like to be there when that is being done. Can you be there conveniently; your being there will not delay Mr. Walton.

MR. HALLAM: I will be there in the morning.

MR. McRUER: That is perfectly all right. I want an understanding, though, that Mr. Walton is not in any way to be interfered with.

THE COMMISSIONER: Or delayed.

MR. McRUER: Or delayed in his investigation.

MR. HALLAM: That is quite all right, but within my instructions, sir.

THE COMMISSIONER: Without any further hitch, because Mr. McRuer will speak to the matter further before me.

--

GORDON HOOPER, Sworn,

EXAMINED BY MR. McRUER:

Q. Mr. Hooper, where are you employed?

A. Department of National Revenue.

Q. And in what capacity are you employed there?

A. Customs Revenue Appraiser.

Q. And is there any particular branch that you are in? A. The Appraiser branch in connection with textiles.

Q. Yes, and how long have you been in that work?

the material you want to have Mr. Walton go over to Mr. Hallam's office and call out the things that really pertain to our business; the only thing is Mr. Hallam would like to have somebody in charge here. Can you let Mr. Walton, or whatever your name is, will not delay Mr. Walton.

MR. HALLAM: I will be there in the morning.

MR. MORNER: That is perfectly all right.

an understanding, though, that Mr. Walton is not in any way to be interfered with.

THE WITNESS: or delayed.

MR. MORNER: or delayed in his investigation.

MR. HALLAM: That is quite all right, but within my instructions, ...

THE COMMISSIONER: Without any further bitch, because Mr. Morner will speak to the matter further before me.

--

MR. MORNER: Sworn.

EXAMINED BY MR. MORNER:

Q. Mr. Hooper, where are you employed?

A. Department of National Revenue.

Q. In what capacity are you employed there?

A. Customs Revenue Appraiser.

Q. And is there any particular branch that you are in? A. The Appraisal or branch in connection with textiles.

Q. Yes, and how long have you been in that work?

A. A little over four years.

Q. Now, you are familiar, are you not, with the history of the tariff on textiles? A. Yes, and what I am not familiar with has been reviewed by those who are in charge of that work.

Q. Now, I show you a summary of the Tariff rates on yarns and fabrics of artificial silk. Is that a correct summary? A. Yes, sir.

MR. GEOFFRION: May I see it, please?

MR. McRUER: I am sorry, my lord. I intended to have copies prepared for your lordship and counsel of some of these documents this forenoon. I understood that we were going on with the Sherbrooke witnesses this afternoon, and I thought Mr. Brydie would be able to make copies ~~fm~~ of all these in the meantime. I sought him out this morning but I was not able to find him. Later I learned the Sherbrooke witnesses were not going to be here, so I will have to file more or less the rough copies and have copies made of them later.

THE COMMISSIONER: All right, they will be made available to counsel.

MR. McRUER: Then this will be Exhibit what, my lord?

THE COMMISSIONER: It will be Exhibit 124.

EXHIBIT 124: Summary of tariff rates on yarns and fabrics of artificial silk.

THE COMMISSIONER: How do you describe it, Mr. McRuer?

A. A little over four years.

Q. Now, you are familiar, are you not, with the
history of the Tariff -- Yes/Lines?

A. Yes, -
what I am not familiar with has been reviewed by th
who are in charge of that work.

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on yarns and fabrics of artificial silk. Is that a
correct summary? A. Yes, sir.

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THE COMMISSIONER: All right, they will be ma
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MR. MONDER: Then this will be Exhibit what,
Lord?

THE COMMISSIONER: It will be Exhibit 124.

QUESTION BY MR. GEOFFRION: Summary of Tariff items on yarns
and fabrics of artificial silk.

THE COMMISSIONER: How do you describe it,
Mr. Geoffrion?

MR. McRUER: Summary of tariff rates on yarns and fabrics of artificial silk. And I would suggest, my lord, that we file one of the exhibits as the copy; it will keep our papers in a little better shape. There are certain notes on this of my own.

THE COMMISSIONER: So the Exhibit is not ready yet, Mr. McRuer.

MR. McRUER: We will file this in the meantime, my lord, and substitute a copy.

MR. GEOFFRION: I would like to see it.

MR. McRUER: Yes, I will let you see it.

It reads as follows:

"Summary of tariff rates on yarns and fabrics of artificial silk.

Hosiery of synthetic silk is dealt with in Schedule (H), while knitted fabrics in piece goods form, ready to be cut up and sewn into garments, are dealt with in Schedule (J).

Prior to 1923 there was only one item in the Tariff dealing specifically with artificial silk products and this was a special item providing for the free entry under all Tariffs of yarns of artificial silk imported by manufacturers of knitted woven or braided fabrics.

Yarns and fabrics imported prior to 1923 were treated as if composed of cotton and a reference to cotton yarn data will give the corresponding rates."

and fabrics of artificial silk. And I would suggest my lord, that we file one of the exhibits as the copy it will keep one screws in a little better shape.

There are certain notes on this of my own.

THE CO MMISSIONER: So the exhibit is not ready yet, Mr. Lochner.

MR. MORDEN: We will file this in the meantime, my lord, and substitute a copy.

MR. GROTHEKON: I would like to see it.

MR. MORDEN: Yes, I will let you see it.

It reads as follows:

"Summary of tariff rates on yarns and fabrics of artificial silk.

Hosiery of synthetic silk is dealt with in schedule (3), while knitted fabrics in piece goods form, ready to be cut up and sewn into garments, are dealt with in schedule (1).

Prior to 1930 there was only one item in the tariff dealing specifically with artificial silk products and this was a special item providing for the free entry under all Tariffs of yarns of artificial silk imported by manufacturers of knitted woven or braided fabrics.

Yarns and fabrics imported prior to 1930 were treated as if composed of cotton and a reference to cotton yarn duty will give the corresponding duty.

That is before 1923. Now, we have:

"Artificial silk tops and waste:

1923 to date: British Pref. 5%

Intermediate, 7½%; General 10%.

The above is material mostly used for re-spinning and perhaps will not be considered an important factor in your calculations.

2. Artificial silk yarns have been dutiable as follows:

1923: Single strand - British Pref. 12½%;

Intermediate 17½%; General 20%;

1930: British Pref. 25%; Intermediate 30%; General 35%

Duty to be not less than, per pound,"

THE COMMISSIONER: Than what?

MR. McRUER: Than per pound, 28% under British preference.

THE COMMISSIONER: That was the new duty.

MR. McRUER: That was in 1930.

THE COMMISSIONER: The specific?

MR. McRUER: Yes, 28¢ under British Preference; Intermediate 28¢; general 28¢;

BY MR. McRUER: Q. Now, Mr. Hooper, as I understand it, that is this, that while 25%, 30 and 35 ad valorem prevailed for 1930, still this must be a minimum of 28, 28 and 28? A. Yes, sir.

Q. So that if an article was bought abroad at a price, at 25% ad valorem, that is, in Great Britain, bought at 25% ad valorem, would not yield 28¢ a pound,

That is before 1922. Now, we have:

"Artificial silk tops and waste:

1922 to date: British Pref. 33⅓

Intermediate, 7½%; General 10%.

The above is material mostly used for re-spinning and perhaps will not be considered an important factor in your calculations.

2. Artificial silk yarns have been dutiable as follows:

1922: Single strand - British Pref. 12½%;

Intermediate 17½%; General 20%;

1930: British Pref. 25%; Intermediate 30%; General 30%

Duty to be not less than, per pound,"

MR. MORURE: Then per pound, 25% under British preference.

THE COMMISSIONER: That was the new duty.

MR. MORURE: That was in 1930.

Intermediate 25%; general 25%;

BY MR. McRUER: Q. Now, Mr. Hooper, as I understand it, that is this, that while 25%, 30 and 35 ad valorem prevailed for 1930, still this must be a minimum of 28, 28 and 28? A. Yes, sir.

Q. So that if an article was bought abroad at a price, at 25% ad valorem, that is, in Great Britain bought at 25% ad valorem, would not yield the

then the duty was 28 cents a pound? A. Right.

Q. If it, for instance, was 75 cents in Great Britain, instead of paying 25% of 75 cents they would pay 28 cents a pound? A. Right.

Q. That is right? A. Right.

Q. That was, the duty was to be not less than -- A. The value of the yarn would have to be over $1 a pound.

THE COMMISSIONER: Either the ad valorem or specific duty, whichever was the higher.

MR. McRUER: That is right, my lord.

BY MR. McRUER: Q. And, of course, in Great Britain there is 10 per cent. off? A. Yes, there is 10 per cent. off in Great Britain.

Q. That would be 10 per cent. of 28 cents? A. Yes.

Q. That would be 2.8 cents; if it is 28 cents a pound, actually the 10 per cent. would come off the 28 cents a pound? A. Yes.

Q. And in that case it would be 25.2. A. Yes.

Q. The duty would be 25.2? A. Yes.

Q. Yes, correct. And then it continues:

"1934: Duty to be not less than, per pound, 20 cents British Preference, and 28 cents Intermediate, and 28 cents General."

So that the minimum duty was reduced from 28 cents a pound to 20 cents a pound? A. Yes.

Q. But no other alteration? A. Less 10%. No other alteration, no.

then the duty was 28 cents a pound? A. Right.

Q. If it, for instance, was 75 cents in Great Britain, instead of paying 25% of 75 cents they would pay 28 cents a pound? A. Right.

Q. That is right? A. Right.

Q. That was, the duty was to be not less than A. The value of the yarn would have to be over $1 a pound.

THE COMMISSIONER: Either the ad valorem or specific duty, whichever was the higher.

MR. MCKUNN: That is right, my lord.

BY MR. MCKUNN: Q. And, of course, in Great Britain there is 10 per cent. off? . Yes, the is 10 per cent. off in Great Britain.

Q. That would be 10 per cent. of 28 cents? A. Yes.

Q. That would be 2.8 cents; if it is 28 cents a pound, actually the 10 per cent. would come off the 28 cents a pound? A. Yes.

Q. And in that case it would be 25.2. A. Ye

Q. The duty would be 25.2? A. Yes.

Q. Yes, correct. And then it continues:

"1904: Duty to be not less than, per pound, 20 cents British Preference, and 28 cents Inter-mediate, and 28 cents General."

So that the minimum duty was reduced from 28 cents a pound to 20 cents a pound? A. Yes.

Q. But no other alteration? A. Less 10%.

MR. HEWARD: Are we discussing yarns?

MR. McRUER: Artificial silk yarns.

Then: "Ply yarns, that is two or more strands twisted together."

In 1923 it was 17½ per cent.; 22½ per cent. and 25 per cent.

In 1930, the duty to date - 25 per cent., 30 per cent, and 35 per cent.

Duty to be not less than 28 cents per pound."

So that the deduction that was made on that artificial silk yarn, in regard to the British importatations, in 1934, was not made in regard to the ply yarns two or more strands twisted together. A. You have that other memorandum there as to the rates of duty at the present time?

Q. Yes. A. Could I see that?

Q. Yes, is that the one? A. That is the one. Would you ~~ask~~ the last question again?

Q. Did the 28 cents a pound of a minimum duty apply now on ply yarns two or more strands twisted together? A. Yes.

Q. I see. Then your memorandum goes on to read:

"It may be noted here that prior to 1923 artificial silk yarns, single or ply, with individual strands of 135 denier or finer, were permitted entry free of duty as being the equivalent of cotton yarns 40's or finer. For your general guidance, please note that 50's

MR. HEWARD: Are we discussing yarns?

MR. BENNETT: Artificial silk yarns.

Then: "Ply yarns, that is two or more strands twisted together:

In 1925 it was 17½ per cent.; 22½ per cent. and 25 per cent.

In 1930, the duty to date - 25 per cent., 30 per cent, and 35 per cent.

Duty to be not less than 28 cents per pound."

So that the deduction that was made on that artificial silk yarn, in regard to the British importations, in 1924, was not made in regard to the ply yarns two or more strands twisted together. A. You have that other memorandum there as to the rates of duty at the present time?

Q. Yes. A. Could I see that?

Q. Yes, is that the one? A. That is the one. Would you ask the last question again?

Q. Did the 28 cents a pound of a minimum duty apply now on ply yarns two or more strands twisted together? A. Yes.

Q. I see. Then your memorandum goes on to read:

"It may be noted here that prior to 1925 artificial silk yarns, single or ply, with individual strands of 135 denier or finer, were permitted entry free of duty as being the equivalent of cotton yarns 40's or finer. For

cotton is finer than 40's cotton but 100 denier artificial silk is finer than 135 denier."

That is, in cotton the number goes up ?

A. It goes up.

Q. To indicate on the finer yarns, but going down indicates the finer yarns in artificial silk?

A. In artificial silk, yes.

Q. Then your memorandum continues:

"--the difference being due to the fact that the 40's or 50's cotton indicates the length of yarn corresponding to a fixed weight, while 135 to 100 denier (a denier being one-half a decigram, i.e. a weight) refers to the weight of a fixed length of yarn".

A. Yes.

Q. Now then, we come to woven fabrics composed of artificial silk.

MR. GEOFFRION: The first is yarns.

THE COMMISSIONER: The first is yarns and artificial silks.

MR. GEOFFRION: You gave it all as one exhibit.

THE COMMISSIONER: All right, then, keep it that way.

MR. GEOFFRION: Then they will be together as one exhibit.

BY MR. McRUER: Q. Now, we have woven fabrics composed of artificial silk:

1. Composed wholly of artificial silk, 1923, British Preference 17½%; intermediate 32½%;

artificial silk is finer than 150 denier."

That is, in cotton the number goes up ?

A. It goes up.

Q. To indicate on the finer yarns, but going down indicates the finer yarns in artificial silk?

A. In artificial silk, yes.

Q. Then your memorandum continues:

"--the difference being due to the fact that the 40's or 50's cotton indicates the length of yarn corresponding to a fixed weight, while 150 to 150 denier, a denier being one-half a decigram, i.e. a weight) refers to the weight of a fixed length of yarn".

A. Yes.

Q. Now then, we come to woven fabrics composed of artificial silk.

MR. GROSSMAN: The first is yarns.

THE COMMISSIONER: The first is yarns and artificial silks.

MR. GROSSMAN: You gave it all as one exhibit.

THE WITNESS: All yarns, then, that is one exhibit.

MR. GROSSMAN: Then they will be together as one exhibit.

MR. McMURRY: Q. Now, we have woven fabrics composed of artificial silk:

1. Composed wholly of artificial silk, yarn;

General 35%.

1930 to date, British Preference 27½% and 30 cents a pound; 27½% ad valorem and 30 cents a pound; intermediate 40 per cent. and 40 cents a pound; General 45% and 40 cents a pound.

2. Composed in part of artificial silk (the other fibre being generally cotton)."

Your lordship will remember that at Three Rivers part of an example in a file came under this schedule.

THE COMMISSIONER: That is, part cotton and part--

MR. McRUER: That was corset ~~ex~~ cloth.

THE COMMISSIONER: Yes, I remember.

MR. McRUER: Well, composed in part of artificial silk (the other fibre being generally cotton,)1923 British Preference 17½%; Intermediate 32½%; General 35%.

In 1928, British Preference 20%; Intermediate 30%; and General 35%.

There is a slight raise there in the British Preference and a slight lowering in intermediate.

Then 1930 to date, British Preference 27½% and 30 cents a pound; intermediate 40% and 40 cents; and General 45% and 40 cents a pound.

And then your memorandum goes on:

"As a matter of interest it may be pointed out that in April, 1934 a special item was inserted in the tariff for the benefit of manufacturers of plushes and velvets having pile of artificial silk, and it is quite possible that this privilege

1930 to date, British Preference 27½%
and 30 cents a pound; 27½% ad valorem and 30
cents a pound; intermediate 40 per cent, and 40
cents a pound; General 45% and 40 cents a pound.
4. Composed in part of artificial silk (the
other fibre being generally cotton)."

Your lordship will remember that at Three Rivers part
of an example in a file came under this schedule.

THE COMMISSIONER: That is, part cotton and part

MR. MORDEN: That was cotton in cloth.

THE COMMISSIONER: Yes, I remember.

MR. MORDEN: Well, composed in part of artificial
silk (the other fibre being generally cotton,)1925
British Preference 17½%; Intermediate 35%; General
35%.

In 1928, British Preference 20%; Intermediate 30%
and General 35%.

There is a slight raise there in the British
Preference and a slight lowering in intermediate.

Then 1930 to date, British Preference 27½%
and 30 cents a pound; Intermediate 40% and 40 cents;
and General 45% and 40 cents a pound.

and then your memorandum goes on:

"As a matter of interest it may be pointed out
that in April, 1928 a special item was inserted
in the tariff for the benefit of manufacturers
of plushes and velvets having pile of artificial

is only made use of by one or two concerns in the Dominion. The tariff item in question reads as follows:

--

--

--

(Page 1615 follows)

"Rovings, yarns and warps wholly of spun artificial silk or similar synthetic fibres produced by chemical processes, not coloured, imported by manufacturers for use exclusively in the manufacture of cut-pile fabrics, in their own factories"--

the rate is British preference free, intermediate 30%, general 35%, but not less than per pound, intermediate 28¢ and general 28¢.

Q. Of course, 10% off the others on British preference? A. Under 561.

Q. On the intermediate? A. On 561.

Q. On 561? A. Those entitled to the most favoured nation treatment get 10% off.

Q. Thos entitled to the most favoured nation treatment get 10% off? A. Off the advalorem duty.

BY THE COMMISSIONER: Q. That is on the intermediate tariff? A. Yes.

Q. 10% less than the intermediate?

A. Only those nations entitled to entry under most favoured nation treatment.

Q. Who are they? Well, I am not concerned with that, really -- A. Japan, France, United States. There are others.

BY MR. McRUER: Q. We can get a list?

A. Yes, I have a list here.

Q. We can file that later.

THE COMMISSIONER: Those are the principal ones, I suppose, as far as the computation is concerned.

MR. McRUER: Yes.

"Hosiery, yarns and warps wholly of spun artificial silk or similar synthetic fibres produced by chemical processes, not coloured, imported by manufacturers for use exclusively in the manufacture of cut-pile fabrics, in their own factories"--

the rate is British preference free, intermediate 50% general 25%, but not less than per pound, intermediate may not exceed 20%.

Q. Of course, 10% off the others on British preference? A. Under 561.

Q. On the intermediate? A. On 561.

Q. On 561? A. Those entitled to the most favoured nation treatment.

Q. Those entitled to the most favoured nation treatment get 10% off? A. Off the ad valorem duty.

BY THE COMMISSIONER: Q. That is on the intermediate tariff? A. Yes.

Q. 10% less than the intermediate?

A. Only those nations entitled to entry under most favoured nation treatment.

Q. Who are they? Well, I am not concerned with that, really -- A. Japan, France, United States. There are others.

BY MR. McQUEEN: Q. We can get a list?

A. Yes, I have a list here.

Q. We can file that later.

THE COMMISSIONER: Those are the principal ones, I suppose, as far as the computation is concerned.

MR. [illegible]: Yes.

Q. Then, I asked you to make a calculation for me on a pound of artificial silk before 19 -- take in December, 1935. That is before there was any change.

THE COMMISSIONER: What year do you say?

MR. McRUER: December, 1935.

THE COMMISSIONER: Before there was any change in what?

MR. McRUER: Before the change that took place in regard to the Japanese and --

THE WITNESS: And the surtax was on, was 33-1/3% additional duties collected.

BY THE COMMISSIONER: Q. Up until?
A. Up until December, I think it is December.

BY MR. McRUER: Q. From July to December?
A. Yes.

Q. We have it calculated first without the surtax in your memorandum? A. Yes.

Q. There is a note in regard to the surtax below. Now, in this memorandum you calculate the duty on the basis of $1.25 a pound. Why was that?
A. The Governor-General's Council had fixed the value -- had authorized the Minister of National Revenue to fix the value on artificial silk fabrics at $1.25 a pound when imported under the intermediate and general tariff.

MR. GEOFFRION: You haven't got a copy of that?

MR. McRUER: No, I have; I am very sorry. I thought we were going on with a different matter this afternoon. I know it is awkward not to have them. This memorandum, my lord, is as follows -- it may be

Q. Then, I asked you to make a calculation on a pound of artificial silk before 19 -- take January, 1920. That is before there was any c

THE COMMISSIONER: What year do you say?

MR. MORNER: 1920.

THE COMMISSIONER: Before there was any chan

MR. MORNER: Before the change that took pla in regard to the Japanese and --

THE WITNESS: And the surtax was on, was 25- additional duties collected.

BY THE COMMISSIONER: Q. Up until?

A. Up until November, I think it is January.

BY MR. MORNER: Q. From July to December?

A. Yes.

Q. We have it calculated first without the s tax in your memorandum? A. Yes.

Q. There is a note in regard to the surtax below. Now, in this memorandum you calculate the duty on the basis of $1.25 a pound. Why was that?

A. The Governor-General's Council had fixed the va had authorized the minister of national revenue to fix the value on artificial silk fabrics at $1.25 a pound when imported under the intermediate and general tariff.

MR. GEOFFRION: You haven't got a copy of that?

MR. MORNER: No, I have; I am very sorry.

I thought we were going on with a different matter this afternoon. I know it is awkward not to have it This memorandum, my lord, is as follows -- it may be

the next exhibit. This is a memorandum re the practical effects of P.C. 3013; P.C. 3013.

THE COMMISSIONER: That is the Order-In-Council?

MR. McRUER: Yes, that was the Order-In-Council fixing $1.25. A. Authorizing the Minister to fix $1.25.

Q. Authorizing the Minister to fix the rate of $1.25 a pound? A. Not the rate, the value.

Q. I mean the value --

THE COMMISSIONER: Passed in July.

MR. McRUER: No.

THE WITNESS: December 12th, 1931.

THE COMMISSIONER: I see; I thought you said something about July.

MR. McRUER: There was a surtax put on last July. This is number 125.

THE COMMISSIONER: What is it.

MR. McRUER: This is a memorandum re the practical effects of P.C. 3013.

THE COMMISSIONER: P.C. 3013 which was -- give me the month again.

MR. McRUER: December 12, 1931, my lord.

THE WITNESS: That is the same as the appraiser's bulletin.

MR. GEOFFRION: 3789.

THE WITNESS: 3789, yes.

EXHIBIT NO. 125: Memorandum re the practical effects of P.C. 3013.

MR. McRUER: It is as follows:

"Memorandum re practical effects of P.C. 3013.

the next minister. Can you [illegible] to the practical effects of P.C. 3018; P.C. 3018.

THE COMMISSIONER: That is the Order-In-Council.

MR. MORROW: Yes, that was the Order-In-Council fixing $1.25. A. Authorizing the Minister to fix $1.25.

Q. Authorizing the Minister to fix the rate of $1.25 a pound? A. Not the rate, the value.

Q. I mean the value --

THE COMMISSIONER: Passed in July.

A. [illegible]

Q. [illegible], 1921.

THE COMMISSIONER: I see; I thought you said something about July.

MR. MORROW: There was a survey put on last July. This is number 125.

THE COMMISSIONER: What is it.

MR. MORROW: This is a memorandum re the practical effects of P.C. 3018.

THE COMMISSIONER: P.C. 3018 which was -- give the full month again.

MR. MORROW: December 12, 1921, my lord.

THE WITNESS: That is the same as the appraiser's bulletin.

Q. [illegible] 4777.

THE WITNESS: 3789, yes.

MR. MORROW NO. 125: Memorandum re the practical effects of P.C. 3018.

MR. MORROW: It is as follows:

"Memorandum re practical effects of P.C. 3018.

"The tariff on artificial silk under Item 561 of the Customs Tariff Act is as follows: British preferential 27½% and 30¢ a pound".

A. Yes.

Q. The word "and" should be in there.

THE COMMISSIONER: How much percent?

MR. McRUER: 27½% and 30¢ a pound.

"Intermediate 40% and 40¢ a pound; general 45% and 40¢ a pound. On a pound of artificial silk imported from Japan, the customs duty in" -- well, this is 1933; are the rates different to 1935?

A. No,-- it is artificial silk fabric. May I see that again, please? I haven't seen it since it was typed. That is alright for 1933.

Q. Pardon? A. That is alright as an example for 1933.

Q. Isn't it the same for 1935, excepting --

A. Yes, it will be the same.

Q. Excepting the surtax? A. The exchange might be different, but that won't affect it.

Q. It doesn't affect it. Well, we will put that 1935, then. A. Yes, you can make it 1935.

Q."It would be calculated as follows: Fixed value for duty purposes $1.25 per pound. The duty is calculated"--

BY MR. GEOFFRION: Q. Is that the minimum that was fixed? A. That is the fixed minimum value.

Q. Minimum? A. Minimum value.

BY THE COMMISSIONER: Q. Whatever the origin of the goods is? A. No, my lord; that is goods

"The tariff on artificial silk under Item 904 of the Customs Tariff Act is as follows: British preferential 27½% and 30% a pound".

A. Yes.

Q. The word "and" should be in there.

THE COMMISSIONER: How much percent?

MR. MORTON: 27½% and 30% a pound.

"Intermediate 40% and 45% a pound; general 45% and 40% a pound. On a pound of artificial silk imported from Japan, the customs duty in" -- this is 1928; are the rates different to 1926?

A. No,-- it is artificial silk fabric. May I see the begin, please? I haven't seen it since it was typed. That is alright for 1926.

Q. Pardon? A. That is alright as an example for 1926.

Q. Isn't it the same for 1928, excepting --

A. Yes, it will be the same.

Q. Excepting the amount? A. The exchange might be different, but that won't affect it.

Q. It doesn't affect it. Well, we will put it in 1926, then. A. Yes, you can make it 1926.

Q."It would be calculated as follows: Fixed value for duty purposes $1.15 per pound. The duty is calculated"--

BY MR. CHOQUETTE: Q. Is that the minimum the duty fixed? A. That is the fixed minimum value.

Q. [illegible] value.

BY THE COMMISSIONER: Q. Whatever the origin of the goods is? A. No, my lord; that is goods

entitled to -- goods entered under the intermediate or general tariff.

Q. That would not affect Great Britain?

A. That would not affect any importations from Great Britain.

Q. All except Great Britain? A. Yes.

Q. Including the most favoured nations?

A. Yes.

BY MR. GEOFFRION: Q. Including 125? A. Yes.

Q. That is the minimum, is it? A. That is the minimum fixed value.

BY MR. McRUER: Q. The minimum fixed value; if, of course, they were higher than that in any other country they would pay the duty on their actual invoice value? A. Yes, or the fair market value, whichever is higher.

Q. "The duty is calculated on the following basis:

AD VALOREM: 40% less 10% discount per French Treaty." That is the most favoured nation treaty? A. Yes.

Q."This article coming under the French Treaty, under the provisions of the Treaty with Japan, is entitled to the benefit under the French Treaty."

That equals 36% then? A. Yes.

Q. Which would be .45¢? A. Right.

Q. 36% of the $1.25 a pound? A. Yes.

Q. "SPECIFIC: .40¢ per pound as per intermediate customs tariff".

A. Right.

entitled to -- goods entered under the intermediate or general tariff.

Q. That would not affect Great Britain?

A. That would not affect any importations from Great Britain.

Q. All except Great Britain? A. Yes.

Q. Including the most favored nations?

A. Yes.

BY MR. CONTINUE: Q. Including Japan? A. Yes.

Q. That is the minimum, is it? A. That is the minimum rate value.

BY MR. MORGAN: Q. The minimum final value; it, of course, they were higher than that in any other country that would pay the duty on their actual invoice value? A. Yes, of the fair market value, whichever is higher.

Q. "The duty is calculated on the following basis: 40% less 10% discount per French treaty." That is the most favored nation treaty? A. Yes.

Q. "Pile fabric dyed, under the ribbed French under the provisions of the French with Japan, is entitled to the benefit under the French treaty."

That equals 36% then? A. Yes.

Q. Which would be .4ef? A. Ni Jyi.

Q. 36% of the 40.8% a pound? A. Yes.

Q. "REDUCING: .4ef per pound as per intermediate customs tariff".

A. Right.

Q. So that there is a specific duty of .40¢ a pound; that does not get the 10% reduction?

A. No.

Q. It does not apply to the specific; then there is excise duty of .6¢? A. 3% of the duty paid value.

Q. The 3% excise duty again is calculated on the $1.25 a pound? A. $1.25 plus ad valorem, plus specific duty.

Q. Then, there is the dumping duty; that is under section 6 of the Customs Tariff Act? A. Yes.

THE COMMISSIONER: Do you mean to say a dumping duty against everybody?

MR. McRUER: In this case. Explain the dumping duty, will you, Mr. Hooper? A. Section 6 of the Customs Tariff provides that when the selling price to the purchaser in Canada is less than the fair market value a special duty will be collected equal to the difference between these two but not exceeding 50%. There is more -- there are nine sub-sections to section six, but that is the basic principle.

Q. The fair market value in case of there being a fixed valuation? A. That is specifically provided for; the value for duty was not to be less -- section six also specifies section fortky-three of the Customs Act.

Q. Section 6 provides that the fair market value for home consumption is the fixed value that is placed on it by the Minister; in this case, $1.25 a pound; is that right? A. Well, I don't put it

Q. So that there is a specific duty of .40¢ a pound; that does not get the 10% reduction?

A. No.

Q. It does not apply to the specific; then there is specific duty of .40¢? A. 3% of the duty paid value.

Q. The 3% ad valorem duty again is calculated on the $1.25 a pound? A. $1.25 plus ad valorem.

Mr. Hyndman - Only.

Q. Then, there is the dumping duty; that is under section 6 of the Customs Tariff Act? A. Yes.

THE COMMISSIONER: Do you mean to say a dumping duty against everybody?

MR. MONK K.C.: In this case. Whether the dumping duty, will you, Mr. Hooper? A. Section 6 of the Customs Tariff provides that when the selling price to the purchaser in Canada is less than the fair market value a special duty will be collected equal to the difference between these two but not exceeding 50%. There is more -- there are nine sub-sections to section six, but that is the basic principle.

Q. The fair market value in case of there being a fixed valuation? A. That is specifically provided for; the value for duty was not to be less - section six also specifies section forty-three of the Customs Act.

Q. Section 6 provides that the fair market value for that purpose shall be that value that is placed on it by the Minister; in this case, $1.25 a pound; that right? A. Well, I don't put it

quite that way.

Q. Is that the effect of it? A. That is the effect of it.

BY THE COMMISSIONER: Q. Put it your way.

A. In determining where special duty applies --

Q. Where the dumping duty applies?

A. Yes. The value for special duty will not be less than is ruled by the Minister under section 43 of the Customs Act.

Q. Are his powers unlimited? A. No, he was only authorized; the value for duty where authorized by the Governor-In-Council.

Q. He must get that authority; having got it are his powers unlimited as to fixing any particular sum? A. In the Order-In-Council it is generally set out.

Q. It fixes the minimum amount? A. Yes.

BY MR. GEOFFRION: Q. In this case $1.25?

A. In this case $1.25.

BY THE COMMISSIONER: Q. In any event, there is a section of the act which would speak for itself?

A. Section 43.

Q. With Orders-In-Council passed pursuant to it.

MR. McRUER: I have it, my lord. Section 43 reads as follows:

"If, at any time, it appears to the satisfaction of the Governor-In-Council on report from the Minister that goods of any kind are being imported into Canada either to sell, or on consignment, under such conditions as prejudicially or injuriously affect

quite that way.

Q. Is that the effect of it? A. That is the effect of it.

BY THE COMMISSIONER: Q. Put it your way.

A. In accordance above special duty applies --

Q. Where the special duty applies?

A. Yes. The value for special duty will not be less than is ruled by the Minister under section 42 of the Customs Act.

Q. Are his powers unlimited? A. No, he was only authorized; the value for duty where authorized by the Governor-In-Council.

Q. He must get that authority; having got it are his powers unlimited as to fixing any particular sum? A. In the Order-In-Council it is generally set out.

Q. It fixes the minimum amount? A. Yes.

BY MR. GEOFFRION: Q. In this case $1.25?

A. In this case $1.25.

BY THE COMMISSIONER: Q. In the event, there is a section of the act which would speak for itself?

A. Section 42.

Q. With Orders-In-Council passed pursuant to it.

MR. McRUER: I have it, my lord. Section 42 reads as follows:

"If, at any time, it appears to the satisfaction of the Governor-In-Council on report from the Minister that goods of any kind are being imported into Canada either to sell, or on consignment, under such conditions as prejudicially or injuriously affect

"the interests of Canadian producers or manufacturers the Governor-In-Council may authorize the Minister to fix the value for duty of any class or kind of such goods, and notwithstanding any of the provisions of this act the value so fixed shall be deemed to be the fair market value of such goods."

A. I believe you are reading the section -- memorandum 149. That was changed, memorandum 149, the second revision.

Q. Yes, I am reading from that. That was amended in 1933.

BY THE COMMISSIONER: Q. When was it passed?

A. That was passed in 1930. Is that right, Mr. McRuer?

MR. McRUER: It was passed -- I will get it for you. Yes, it appears in the circular of October 20, 1930? A. Yes.

Q. Then, 1933, it reads as follows:

"If, at any time, it appears to the satisfaction of the Governor-In-Council on report from the Minister that goods of any kind, not entitled to entry under the British preferential tariff or any lower tariff, are being imported into Canada either to sell, or on consignment, under such conditions as to prejudicially or injuriously affect the interests of Canadian producers or manufacturers the Governor-In-Council may authorize the Minister to fix the value for duty of any class or kind of such goods, and notwithstanding any other provisions of this act

"In instances of business problems of manufacturers the Governor-In-Council may authorize the Minister to fix the value for duty of any class or kind of such goods, and notwithstanding any of the provisions of this act the value so fixed shall be deemed to be the fair market value of such goods."

A. I believe you are reading the section -- memorandum [illegible], Section 149, the [illegible] revision.

Q. Yes, I am reading from that. That was amended in 1928.

BY THE COMMISSIONER: Q. When was it passed?

A. That was passed in 1930. Is that right, Mr. Morse?

MR. MORSE: It was passed -- I will get it for you. Yes, it appears in the circular of October 20, 1930?

A. Yes.

Q. Then, 1928, it reads as follows:

"If, at any time, it appears to the satisfaction of the Governor-In-Council on report from the Minister that goods of any kind, not entitled to entry under the British preferential tariff or any low or tariff, are being imported into Canada either to sell, or on consignment, under such conditions as to prejudicially or injuriously affect the interests of Canadian producers or manufacturers the Governor-In-Council may authorize the Minister to fix the value for duty of such class or kind of such goods, and notwithstanding any other provisions of this act

"the value so fixed shall be deemed to be the fair market value of such goods."

That is, it was amended by adding the words, or inserting the words "not entitled to entry under the British preferential tariff or any lower tariff"?

A. Right.

Q. So that the specific duty, then, in your illustration is .40¢ a pound, the excise 3% of the fixed value, $1.25 a pound? A. Yes.

Q. Which comes to six cents? A. Plus your ad valorem and specific duty.

Q. Oh, the excise is calculated --

THE COMMISSIONER: If it comes to six cents it must be based on more than that.

BY MR. McRUER: Q. The excise is calculated on $1.25 plus 36% of $1.25 plus the specific of 40¢?

A. Yes.

Q. Then, you take 3% of that? A. Right.

Q. Then, for the purpose of calculating the dumping duty you have on your memorandum dumping duty 50% on $1.25. Under section six of the Customs Tariff Act if the difference between the selling price and the duty value is more than 50% the dumping duty is taken to be 50% of the value for duty?

A. Yes.

Q. So that in this case if the selling price from Japan is -- the difference between the selling price from Japan and the $1.25 is more than 50% then you take 50% of the difference -- A. Of the

"the value so fixed shall be deemed to be the fair market value of such goods."

That is, it was amended by adding the words, or inserting the words "not entitled to entry under the British Preferential Tariff or any lower tariff"?

A. Right.

Q. So that the specific duty, then, in your illustration is .40¢ a pound, the foreign 25% or the fixed value, $1.25 a pound? A. Yes.

Q. Which comes to six cents? A. Plus

Q. Oh, the excise is calculated --

it must be based on more than that.

BY MR. MONTHP: Q. The excise is calculated on $1.25 plus 25% of $1.25 plus the specific of .40¢?

A. Yes.

Q. Then, you take 2% of that? A. Right.

Q. Then, for the purpose of calculating the

duty 50% on $1.25. Under section six of the Customs Tariff Act if the difference between the selling price and the duty value is more than 50% the same duty is taken to be 50% of the value for duty?

A. Yes.

Q. So that in this case if the selling price from Japan is -- the difference between the selling price from Japan and the $1.25 is more than 50% then you take 50% of the difference -- A. Of the

$1.25, yes.

Q. In the illustration that you have worked out it would be 6 -- A. .62½¢.

Q. Or making the total amount payable to the government on one pound of $1.53½¢? A. Yes.

Q. Then that, of course, all quite irrespective of what the selling price might be in Japan?
A. Yes, the laid down cost would be in addition to the $1.53½, the cost of the goods and cost of transportation would be in addition to that.

Q. Then you have a note, in December, 1935, the cost at prevailing rates of exchange would be .25¢ a pound? A. Yes.

Q. The pound reference isn't in here.
A. That is the invoice price at the current rate of exchange.

MR. GEOFFRION: Would you read that question?
-- Reporter reads --

"Q. Then you have a note, in December, 1935, the cost at prevailing rates of exchange would be .25¢ a pound? A. Yes."

THE WITNESS: That would be the invoice price.

MR. GEOFFRION: The cost to the purchaser in Canada; we are not figuring the Japanese cost.

BY MR. McRUER: Q. You have figured the cost to the purchaser in Canada who wanted to buy there and at the rate of exchange that prevailed at that time?
A. Yes, sir.

Q. That had nothing to do with any artificial rate of exchange that may be fixed by the government?

$1.25, yes.

Q. In the illustration that you have worked out it would be 6 -- A. .625¢.

Q. Or making the total amount payable to the government on one pound of $1.25¢? A. Yes.

Q. Then that, of course, all quite irrespective of what the selling price might be in Japan?

A. Yes, the laid down cost would be in addition to $1.25¢, the cost of the goods and cost of transportation would be in addition to that.

Q. Then you have a note, in December, 1923, the cost at prevailing rates of exchange would be .25¢ a pound? -- Yes.

Q. The pound reference isn't in here.

A. That is the invoice price at the current rate of exchange.

MR. GUERIN: Would you read that question?

-- Question read --

"Q. Then you have a note, in December, 1923, the cost at prevailing rates of exchange would be .25¢ a pound? A. Yes."

THE WITNESS: That would be the invoice price.

MR. GUERIN: The cost to the purchaser in Canada; we are not figuring the Japanese cost.

BY MR. MOUNT: Q. You have figured the cost to the purchaser in Canada who wanted to buy there and at the rate of exchange that prevailed at that time? A. Yes, sir.

Q. That had nothing to do with any artificial rate of exchange that may be fixed by the government?

A. No.

Q. So that we will take it at this, then, that under the tariff as it was at that time --

THE COMMISSIONER: That is in 1935?

MR. McRUER: 1935, yes, my lord.

THE COMMISSIONER: Pardon me, do you mean the end of 1935?

MR. McRUER: Up to the end of 1935.

THE COMMISSIONER: I thought there was a surtax?

MR. McRUER: Irrespective of the surtax.

BY MR. GEOFFRION: Q. That is less freight? A. Yes, freight extra.

BY MR. McRUER: Q. So at 25¢ a pound -- on the 25¢ article you would pay to the government, irrespective of the surtax, $1.53½¢ A. Yes, sir.

Q. And in addition to that pay the cost of transportation? A. Yes, sir.

Q. Then, your note goes on to read --

"On the 22nd of July, a surtax, as against Japan, was imposed, effective on the 5th of August, amounting to 33-1/2%, which would be calculated as an ad valorem"--

A. 33-1/3%.

Q. "33-1/3%, which would be calculated as an ad valorem rate of duty on the fixed value of $1.25 per pound would be .4167".

THE COMMISSIONER: How much?

MR. McRUER: .4167.

Q. That is to be added to the $1.53½?

A. To the $1.53½.

A. Yes.

Q. So that we will take it at this, then, that under the tariff as it was at that time --

THE COMMISSIONER: That is in 1935?

MR. MORTUER: 1935, yes, my lord.

THE COMMISSIONER: Pardon me, do you mean the e of 1935?

MR. MORTUER: Up to the end of 1935.

THE COMMISSIONER: I thought that was written

MR. MORTUER: Irrespective of the surtax.

BY MR. GUERTIN: Q. That is less freight?

A. Yes, freight extra.

BY MR. MORTUER: Q. So at 25¢ a pound -- on the 25¢ article you would pay to the government, irrespective of the surtax, $1.25¢ A. Yes, sir.

Q. And in addition to that pay the cost of transportation? A. Yes, sir.

Q. Then, your note goes on to read --

"On the 22nd of July, a surtax, as against Japan was imposed, effective on the 5th of August, amounting to 33-1/3%, which would be calculated as an ad valorem"--

A. 33-1/3%.

Q. "33-1/3%, which would be calculated as an ad valorem rate of duty on the fixed value of $1.25 per pound would be .41¢7".

THE COMMISSIONER: How much?

MR. MORTUER: .41¢7.

Q. Does it be .41¢7 in the $1.25?

A. It is .41¢7.

Q. So that prior to the 1st of January last year --

THE COMMISSIONER: This year.

MR. McRUER: The 1st of January this year and since July of last year --

THE COMMISSIONER: That was between July of last year and the 1st of January of this year?

MR. McRUER: Yes, my lord.

THE WITNESS: Between August -- August 12th, is it -- it is August, anyway.

BY MR. McRUER: Q. One who wished to purchase a pound of artificial silk in Japan, it would cost him .25¢, but he would have to pay to the government $1.95¢ practically? A. Artificial silk fabric.

Q. Artificial silk fabric; that is what we are dealing with. That would be $1.53½ plus .41½ in round figures? A. Yes.

MR. GEOFFRION: Let me see that.

MR. McRUER: Yes.

THE COMMISSIONER: Is that a new exhibit?

MR. McRUER: That is 125; it has been numbered.

Q. Then, I asked you to make a calculation as to what the story would be , as of March, 1936, to give us the picture now? A. Yes.

Q. Have you done that? A. Yes.

Q. This is the memorandum you have prepared as a calculation worked out as of to-day? A. Yes.

Q. Or as of March, 1936? A. March, 1936.

Q. I think there is probably no change until to-day that we have heard about. A. Until this week.

Q. This will be exhibit number --

Q. So that prior to the 1st of January last year -

THE COMMISSIONER: This year.

MR. MORDER: The 1st of January this year and since July of last year --

THE COMMISSIONER: That was between July of last year and the 1st of January of this year?

MR. MORDER: Yes, my lord.

THE WITNESS: Between August -- August 12th, is it -- it is August, anyway.

BY MR. MORDER: Q. One who wished to purchase a pound of artificial silk in Japan, it would cost him .25¢, but he would have to pay to the government [illegible] A. Artificial silk fabric.

Q. Artificial silk fabric; that is what we are dealing with. That would be $1.55½ plus .41½ in round figures? A. Yes.

MR. GEOFFRION: Let me see that.

MR. MORDER: Yes.

THE COMMISSIONER: Is that a new exhibit?

MR. MORDER: That is 1265; it has been numbered.

Q. Then, I asked you to make a calculation as to what the story would be, as of March, 1935, to give us the picture now? A. Yes.

Q. Have you done that? A. Yes.

Q. This is the memorandum you have prepared as a calculation worked out as of to-day? A. Yes.

Q. Or as of March, 1935? A. March, 1935.

Q. I think there is probably no change until to-day we have heard about. A. Until this week.

Q. This will be exhibit number --

THE COMMISSIONER: 126

MR. McRUER: I will have it copied.

MR. HEWARD: Calculation as to the situation in March, 1936?

THE COMMISSIONER: What do you call it? A memo of--

MR. McRUER: A memorandum of duty payable.

THE COMMISSIONER: Since January 1st?

MR. McRUER: This is 27 inch piece, dyed plain taffeta, since -- in March, 1936.

EXHIBIT NO. 126: Memorandum of duty payable in March, 1936 on 27 inch piece, dyed plain taffeta.

THE WITNESS: It would be around then, roughly.

BY THE COMMISSIONER: Q. That, in effect, has been the situation since the 1st of January?

A. Yes, sir.

BY MR. McRUER: Q. Now, I want to get the interpretation of one or two of your abbreviations, Mr. Hooper. The first line, what is F.M.V?

A. Fair market value.

Q. Fair market value in Japan equals what?

A. Yen 0.90.

Q. 0.90 yen? A. Yen, yes; that is 90 sen or nine-tenths of a yen.

Q. Then you say "computed at proclaimed value of 0.395; what is that? A. That is the value, the currency value established by the government.

Q. Now, that is established under what provision of the Customs Act? A. Sections 55 and 59, I think they have got that in. Section 55.

THE COMMISSIONER: Yes.

MR. MORNER: I will have it copied.

MR. HOWARD: Calculation as to the situation in March, 1956?

THE COMMISSIONER: What do you call it? A memo of

MR. MORNER: A memorandum of this nature.

THE COMMISSIONER: Since January last?

MR. MORNER: This is 27 item dyed plain taffeta, since -- in March, 1956.

EXHIBIT NO. 1[illegible]: Memorandum of [illegible] in March, 1956 on 27 item dyed plain taffeta.

THE WITNESS: It would be around then, roughly.

BY THE COMMISSIONER: Q. What, in effect, has been the situation since the 1st of January?

A. Yes, sir.

BY MR. MORNER: Q. Now, I want to get the interpretation of one or two of your abbreviations, Mr. Hooper. The first line, what is F.M.V?

A. Fair market value.

Q. Fair market value in Japan equals what?

A. Yen 0.90.

Q. [illegible]

A. Yen [illegible] [illegible] sen or nine-tenths of a yen.

Q. Then you say "computed at proclaimed value of 0.[illegible] [illegible]" A. [illegible] the [illegible] the customs value established by the government.

Q. Now, that is established under what provision of the Customs Act? A. Sections 58 and 59. I think they have got that in. Section 63.

Have you the memorandum there, Mr. McRuer?

Q. Your typewritten memorandum? A. No, it is an appraiser's bulletin.

Q. Under section 55? A. I haven't the appraiser's bulletin here.

Q. Well, that is the section referred to, isn't it, Mr. Hooper? A. Yes, that is the section. There is another, there is authority under another section of the act.

Q. Well, we will go into the law later on. At any rate, the act -- under the powers contained in the Customs Act the value of the yen has been fixed for duty purposes at .395; that is right? A. Yes.

THE COMMISSIONER: That is, to the dollar?

MR. McRUER: To the dollar, yes. 39.5¢.

THE WITNESS: We estimate the value for duty.

BY THE COMMISSIONER: Q. Is that higher than its actual value? A. Yes, my lord; the actual value is about 29.4 or 5.

Q. That is, about 30% higher than its actual value it is fixed? A. It is about 30% higher than its actual value.

BY MR. McRUER: Q. When was the yen fixed at 39.5? A. It became effective the 2nd of January, 1936.

Q. Do you know what the previous value had been? A. 41.5.

Q. 41.5? A. That was the value for I think about six months. We did not use it very much because the surtax was on at that time.

Q. Your typewritten memorandum? A. No, it is a reporter's bulletin.

Q. Under section 55? A. I haven't the legislative section.

Q. Well, that is the section referred to, isn't it, Mr. Hooper? A. Yes, that is the section. There is another, there is authority under another section of the act.

Q. Well, we will go into the law later on. At any rate, the act -- under the powers contained in the Customs Act the value of the yen has been fixed for duty purposes at .5?5; that is right?

A. Yes.

THE COMMISSIONER: That is, to the dollar?

Mr. [illegible]: Yes.

THE WITNESS: We estimate the value for duty.

BY THE COMMISSIONER: Q. Is that higher than the actual value? A. Yes, my lord; the actual value is about 29.4 or 5.

Q. That is about 30% higher than its actual value it is fixed? A. It is about 30% higher than its actual value.

BY MR. [illegible]: Q. When was the yen fixed at 29.

A. It became effective the 2nd of January, 1930.

Q. Do you know what the previous value was?

A. 41.5.

Q. 41.5? A. That was the value for I think about six months. We did not see it very much because the market was on at that time.

Q. The surtax was on, and then these fixed valuations. A. It was in effect, I think, from August 2nd.

BY THE COMMISSIONER: Q. When you say you did not use it very much you mean there was very little occasion to use it? A. Yes.

Q. Very little importation? A. Yes.

BY MR. McRUER: Q. So that for the purpose of this computation you compute the value of the yen at 39½¢ for the purpose of estimating the duty value? A. Yes.

Q. Well then, interpret your next line; you have got -- A. That is 35½¢ per pound.

Q. That is, taking an article that is valued at 90 sen or nine-tenths of a yen? A. Yes.

Q. The value for duty purposes would be 35½¢ per pound? A. Yes.

Q. When you apply the arbitrary value for duty purposes of 39½¢ to the yen? A. Yes.

Q. So that then we go on from there -"Ad valorem 40% less 10%, 36%." That is 36%. So that comes to .128 or 12-8/10¢? A. Yes.

Q. The specific, 40¢ a pound, and you add .40¢? A. Yes.

Q. The duty paid value then is .88-3/10¢? A. Yes.

Q. And the excise of 3% is calculated on that? A. On the duty paid value.

Q. So you add another .2-6/10¢ for that. Then, special duty, value for special duty, yen at --

Q. The surtax was on, and then these fixed valuations. A. It was in effect, I think, from January 22nd.

BY THE COMMISSIONER: Q. When you say you did not use it very much you mean that very little occasion to use it? A. Yes.

Q. Very little importation? A. Yes.

BY MR. MORURE: Q. So that for the purpose of this examination you compute the value of the yen at 49½ for the purposes of estimating the duty value? A. Yes.

Q. Well then, interpret your next line; you have got -- A. That is 35½¢ per pound.

Q. That is, taking an article that is valued at 90 sen or nine-tenths of a yen? A. Yes.

Q. The value for duty purposes would be 35½¢ per pound? A. Yes.

Q. When you apply the arbitrary value for duty purposes of 35½¢ to the yen? A. Yes.

Q. So that then we go on from there -"Ad valorem 40% less 10%, 35%." That is 35%. So that comes to .128 or 12-8/10¢? A. Yes.

Q. The specific, 40¢ a pound, and you add .40¢? A. Yes.

Q. The duty paid value then is .88-3/10¢? A. Yes.

Q. And the excess of 3% is calculated on that? A. On the duty paid value.

Q. So you add another .2-6/10¢ for that. Then, special duty, value for special duty, yen at --

A. Yen 0.90.

Q. Less 9%, what is that? A. That is the Japanese consumption tax.

Q. I see; you take off the tax of 9% in Japan that does not have to be paid on export goods?

5

A. And the law provides that it may be disregarded.

Q. Leaves us net price in Japan of 81-9/10 yen for this calculation; is that right? A. .819 yen.

Q. Yes, .819 yen at proclaimed rate --

10

A. .324.

Q. Or 32-4/10¢? A. Yes.

Q. That is again converting the yen?

A. At the proclaimed --

Q. At the proclaimed rate? A. That gives you the value for special duty purposes.

15

Q. And the selling price in Canada?

A. No, The selling price to the purchaser in Canada --

Q. Is .24? A. 24¢.

Q. Where do you get that? A. By taking the fair market value less the consumption tax and computing it at the current rate of exchange.

20

Q. You call that special duty; is that really the dumping duty? A. It is known as a dumping duty. It is not designated as that in the Customs Tariff.

25

Q. That comes to 8-4/10¢? A. That comes to 8-4/10¢ or a total duty and special duty -- regular and special duty of 63-8/10¢.

Q. 63-8/10¢ on an article that would cost --

30

A. Would cost 24¢.

A. Yen 0.90.

Q. Less 2%, what is that? A. That is the Japanese exchange rate.

Q. I see; you take off the tax of 2% in Japan that does not have to be paid on export goods?

A. And the law provides that it may be discounted.

Q. Leaves us net price in Japan of $1-9/10 yen for this calculation; is that right? A. .919 yen.

Q. Yes, .919 yen at proclaimed rate --

A. Yes.

Q. At proclaimed -- A. Yes.

Q. That is again converting the yen

A. At the proclaimed --

Q. At the proclaimed rate? A. That gives you the value for special duty purposes.

Q. Are the selling prices in Canada

A. No, the selling price to the purchaser in Canada

Q. Is .24? A. Yes.

Q. Where do you get that? A. By taking the fair market value less the commission and comparing it at the current rate of exchange.

Q. You call that special duty; is that really the dumping duty? A. It is known as a dumping duty. It is not designated as that in the Customs Tariff.

Q. That comes in 9-4/1(2)? A. Yes.

Q. Comes in 9-4/1(2) as a total duty and special duty -

A. Yes, that is.

Q. 9-4/1(2) covers duty plus -- that is --

A. Yes, that is.

Q. Would cost 24¢ in Japan --

BY THE COMMISSIONER: Q. When you were calculating a moment ago on the old rate of duty you took an article worth 25¢? A. Yes.

Q. Now, you shift under present conditions to an article worth 24¢? A. No, it is the same article, my lord; the same article, the prices have been revised downwards slightly.

Q. Then, still dealing with the article that the purchaser pays 25¢ for regardless of duty? A. Yes.

Q. How much do all these duties amount to now? A. The duties amount to 63-8/10¢.

Q. And before it amounted to $1.95? A. Yes. Now they are 63-8/10¢.

Q. That is the difference? A. Yes.

Q. Your reduction on that 25¢ article is from $1.95¢ to 63-8/10¢? A. Yes.

MR. McRUER: I think that is probably not quite --

THE COMMISSIONER: That is what the witness says.

MR. McRUER: I know, but the surtax was just a temporary tax that they put on in July.

THE COMMISSIONER: Still it was there, and worked. Mr. Hopper says they did not have occasion very often to use the artificial value of the yen at forty something because there were no importations while that lasted. Now, he says under present conditions, the present condition of affairs that duty of $1.95 is reduced to 63-4/5¢.

THE WITNESS: Yes, or 8/10, my lord.

BY THE COMMISSIONER: Q. What have you to say now

Q. Would cost 24¢ in Japan --

BY THE COMMISSIONER: Q. Then you were saying that a moment ago on the old rate of duty you took an article worth 25¢? A. Yes.

Q. Now, you shift under present conditions to an article worth 24¢? A. No, it is the same article my lord; the same article, the prices have been revised downwards slightly.

Q. Then, still dealing with the article that the purchaser pays 25¢ for regardless of duty? A. Yes.

Q. How much do all these duties amount to now?

A. The duties amount to 65-8/10¢.

Q. And before it amounted to $1.95?

A. Yes. Now they are 62-8/10¢.

Q. That is the difference? A. Yes.

Q. Your reduction on that 25¢ article is from $1.95¢ to 65-8/10¢? A. Yes.

MR. MOHUNR: I think that is probably not quite --

THE COMMISSIONER: That is what the witness says.

MR. MOHUNR: I know, but the surtax was just a temporary tax that they put on in July.

THE COMMISSIONER: Still it was there, and worked. Mr. Hopper says they did not have occasion very often to use the artificial value of the yen at forty some-thing because there were no importations while that lasted. Now, because under present conditions, the present condition of affairs that duty of $1.95 is changed to 65-4/5¢.

THE WITNESS: Yes, or 8/10, my lord.

BY THE COMMISSIONER: Q. What have you to say now

about importations? Do you have occasion now to use the value of the yen? Have importations increased? A. There were no importations during that period.

Q. Since the 1st of January has there been any occasion to use this yen value? A. Yes, my lord.

Q. There have been importations? A. Yes, my lord.

MR. McRUER: I have a statement of them, my lord.

THE COMMISSIONER: You have a statement; I just wanted to see rapidly what the general effect of the reduction has been.

THE WITNESS: The other duty was prohibitive, the surtax on it.

THE COMMISSIONER: Yes.

BY MR. McRUER: Q. And the protection now on that article you have figured out to be 265% on the invoice value? A. Yes.

BY THE COMMISSIONER: Q. Have you the figure, what the older protection was? A. That would be 800%, my lord, approximately, slightly lower, but if it was at $2.00 it would be 800%.

MR. HEWARD: What was that last figure?

THE REPORTER: 800%.

MR. HEWARD: No, the one before.

THE REPORTER: 265%.

BY THE COMMISSIONER: Q. That is the present? A. Yes, my lord.

BY MR. McRUER: Q. You have made an investigation to determine what importations in artificial silk fabrics have been made from Japan during the first

about importations? Do you have occasion now to
the value of the yen? Have importations increased
A. There were no importations during that period.
Q. Since the 1st of January has there been any
occasion to see this yen value? A. Yes, my lo
Q. There have been importations? A. Yes,
Lord.

MR. MOWER: I have a statement of them, my lord

THE COMMISSIONER: You have a statement; I just
wanted to see rapidly what the general effect of the
reduction has been.

THE WITNESS: The other duty was prohibitive,
the surtax on it.

THE COMMISSIONER: Yes.

BY MR. MOWER: Q. And the protection now on the
article you have figured out to be 55% on the invoi
value? A. Yes.

BY THE COMMISSIONER: Q. Have you the figure,
what the older protection was? A. That would
be 80%, my lord, approximately, slightly lower, but
if it was at $2.00 it would be 80%.

MR. HEWART: What was that last figure?

THE PROPOSER: 80%.

MR. HEWART: No, the one before.

THE PROPOSER: 55%.

BY THE COMMISSIONER: Q. That is the present?
A. Yes, my lord.

BY MR. MOWER: Q. You have made an investigation
to determine what important one in artificial silk
textiles have been made from Japan during the first

quarter of the year 1936? A. Yes.

Q. Is this a memorandum of the importations? A. It is.

MR. GEOFFRION: Have you got a copy of that?

MR. McRUER: No, I am sorry.

THE COMMISSIONER: That will be 127; memorandum of importations since January 1st, of Japanese importations, only Japanese.

MR. McRUER: Of artificial silk fabrics, my lord.

THE WITNESS: From Japan.

EXHIBIT NO. 127: Memorandum of importations of artificial silk fabrics from Japan since January 1st, 1936.

MR. McRUER: The total in value, my lord, at the invoice value of the yen at 29½¢ is $8,130.26.

THE COMMISSIONER: That brings it down to what?

BY MR. McRUER: Q. That brings it down to the 1st of April, doesn't it? A. Yes, it does.

Q. To the 1st of April? A. Three months.

Q. The total value is $8,130.26 and the total number of yards is 236,065.

THE COMMSSSIONER: 200 and what?

MR. McRUER: 236,065. I see one -- there was one rather large importation that took place?

A. On the 6th of February.

Q. It was featured in the newspapers; that would be this taffeta, thirty-one thousand --

A. Yes.

Q. 31,850 yards of plain taffeta and 39,630 yards of brocaded; is that the one on the 13th of February?

matter of the year 1956? A. Yes.

Q. Is this a memorandum of the importations?

A. It is.

MR. MORTON: Have you got a copy of that?

MR. MORTON: No, I am sorry.

[illegible]; [illegible] of importations since January 1st, of Japanese importations, only Japanese.

MR. MORTON: Of artificial silk fabrics, my lord.

THE WITNESS: From Japan.

EXHIBIT NO. 187: Memorandum of importe of artificial silk fa from Japan since Jan 1st, 1956.

MR. MORTON: The total in value, my lord, at the invoice value of the yen at 2.94¢ is $8,130.26.

THE COMMISSIONER: That brings it down to what?

BY MR. MORTON: Q. That brings us down to the 1st o April, doesn't it? A. Yes, it does.

Q. To the 1st of April? A. Three months.

Q. The total value is $8,130.26 and the total number of yards is 286,066.

THE COMMISSIONER: 300 and what?

MR. MORTON: 286,066. I see one -- there was one rather large importation that took place?

A. On the 6th of February.

Q. It was featured in the newspapers; that woul [illegible] in this matter. [illegible] —

A. Yes.

Q. 31,850 yards of plain taffeta and 30,650 yar [illegible] exceeded; it that be one on the 15th of February?

A. Yes.

Q. That went to Toronto, did it? A. Yes, that went to Toronto.

THE COMMISSIONER: Have you the value of that?

BY MR. McRUER: Yes, it came to about $750, didn't it, altogether? A. About $2400 -- it was around $2,000.

Q. About $2,000 --

BY THE COMMISSIONER: Q. I thought you said $7,000? A. No, it is in the yen here, my lord.

MR. McRUER: 8,252 yen.

BY THE COMMISSIONER: Q. It is about $2,000? A. Yes.

Q. About ¼ of the total? A. Yes, slightly over $2,000.

MR. HEWARD: Was it a large importation?

MR. McRUER: I would not call it a large importation, though it was featured in the newspapers.

Q. Did you get samples of this widely heralded importation? A. Yes.

Q. Are these samples I show you the ones that were supplied to you? A. By the appraiser in Toronto.

Q. I will have those filed as an exhibit.

THE COMMISSIONER: That will be exhibit 128; that is samples of --

MR. McRUER: Samples of taffeta.

THE COMMISSIONER: Imported from Japan.

EXHIBIT NO. 128: Samples of importation from Japan.

MR. McRUER: There are seven samples, my lord.

THE WITNESS: Or seven colours.

MR. McRUER: Seven colours, yes.

MR. HEWARD: How many samples in all, just seven?

MR. McRUER: Yes. That will be 128.

Q. Mr. Hooper, have you made inquiries to determine whether or not Japanese rayons are being sold in the large stores, or people that one would ordinarily expect to sell articles of that sort?

A. I have made no such investigation as that.

Q. What investigation did you make?

A. I made an investigation to ascertain whether they were selling dress materials.

BY THE COMMISSIONER: Q. Whether who was selling?

A. He asked the question, my lord, whether large department stores and wholesalers.

Q. And wholesalers? A. Yes, my lord.

BY MR. McRUER: Q. Where did you make your investigation; tell us the different places?

A. Eatons, Toronto and Montreal and Winnipeg; the Robert Simpson Company.

Q. Yes? A. Greenshields, Montreal, wholesaler, Greenshields, Hodgins & Racine.

Q. What others? A. Ogilvies, that is a department store. Maybe Mr. Gordon can help me out, what company is M. Joseph connected with?

MR. GORDON: Is he Ideal Dress?

THE WITNESS: Canadian Waist and Dress.

BY MR. McRUER: Q. Yes? A. I found that

MR. MOLTON: There are seven seven, my lord.

MR. MOLTON: Seven women, yes.

MR. HAMILTON: How many females in all, just seven?

MR. MOLTON: Yes. That will be 14.

Q. Mr. Hooper, have you made inquiries to determine whether or not Japanese or your are being sold in the large stores, or people that one would ordinarily expect to sell articles of that sort?

A. I have made no such investigation as that.

Q. What investigation did you make?

A. I made an investigation to see what stores they were selling dress materials.

BY THE COMMISSION P: Q. Whether who was selling?

A. He asked the question, my lord, whether large department stores and wholesalers.

Q. And wholesalers? A. Yes, my lord.

BY MR. MOLTON: Q. Where did you make your investigation; tell us the different places?

A. Lotons, Toronto and Montreal and Winnipeg; the Hudson Bay Company.

Q. Yes? A. Greenwaldes, Montreal wholesaler, Greenwaldes, Hudson & Racine.

Q. That other? A. Galvies, that is a department store. Maybe Mr. Gordon can help us what company is M. Joseph connected with?

MR. GORDON: Is he Ideal Dress?

THE WITNESS: Ideal Dress Waist and Dress.

MR. MOLTON: Q. Yes? A. I found the

none of these people had placed orders or purchased any dress materials, either dyed or printed. There was $150 purchased by Eatons, I believe it was, but they were not quite sure it was dress material. The buyer had been there, but that is all, coming from Japan that is the only order that had been given by one of the stores.

Q. Now, you have been making some inquiries in regard to the business being done in this silk, artificial silk fabrics, by the different companies that are engaged in weaving artificial silk?

A. Yes, sir.

Q. Have you got your memorandum on that, please? I don't think you have me it. A. No, I have that here.

Q. Now, this memorandum that you have got covers the months of January and February? A. Yes.

Q. You have not been able to bring them all down to date yet? A. Not all, no.

Q. This is headed -- it will be exhibit number what, my lord?

THE COMMISSIONER: 129, what is it?

MR. McRUER: It is called a memorandum re artificial silk fabrics, sales, shipments in yardage, Canadian mills, January and February 1935 and 1936.

MR. GEOFFRION: Is that 129?

MR. McRUER: Yes, 129.

EXHIBIT #129: Memorandum re artificial silk fabrics, sales, shipments in yardage, Canadian mills, January and February, 1935 and 1936.

none of these people had placed orders or purchased any dress materials, either dyed or printed. There was $150 purchased by Eatons, I believe it was, but they were not quite sure it was dress material. The buyer has been there, but that is all, coming from Japan that is the only order that had been given by one of the stores.

Q. Now, you have been making some inquiries in regard to the business being done in this silk, artificial silk fabrics, by the different companies that are engaged in weaving artificial silk?

A. Yes, sir.

Q. Have you got your memorandum on that, please? I don't think you have ma it. A. No, I have not.

Q. Now, this memorandum that you have got covers the months of January and February? A. Yes.

Q. You have not been able to bring them all down to date yet? A. Not all, no.

Q. This is headed -- it will be exhibit number what, my Lord?

THE COMMISSIONER: 129, what is it?

MR. McHUGH: It is called a memorandum re artificial silk fabrics, sales, shipments in yardage, Canadian mills, January and February 1935 and 1936.

MR. CROCKETT(K.C.): Is that 129?

MR. McHUGH: Yes, Sir.

EXHIBIT #129: Memorandum re artificial silk fabrics, sales, shipments in yardage, Canadian mills, January and February, 1935 and 1936.

BY MR. McRUER: Q. Now, under the heading of the column, manufacturer, and then there is the years, 1935, January and February and 1936, January and February. First you have Associated. You have abbreviated that. You might just fill out those names before they are copied so that the name in full is copied into the exhibit. That is the Associated -- A. Textile Company of Canada.

Q. Associated Textile Company of Canada. For January, 1935 their sales -- this is the shipments, actual shipments? A. Yes.

Q. Actual shipments given to you? A. Yes.

Q. January, 1935, their actual shipments were 215,781 yards, or it is -- A. Yards.

THE COMMISSIONER: Yards.

MR. McRUER: Yards, my lord.

MR. HEWARD: How much?

MR.McRUER: 215,781. January, 1936, it is 284,706. In February, 1935, it was 129,641, and in February, 1936, it was 228,665.

MR. HEWARD: These are shipments?

MR. McRUER: Yes, shipments in yards, Mr. Heward.

Q. The next one is -- A. M. E. Binz.

Q. Where are they located? A. Their head office is in Montreal.

BY THE COMMISSIONER: Q. Where do they manufacture? A. Mr. Taylor can tell you that. I am not sure what the name is.

MR. GORDON: Montmagny.

MR. TAYLOR: And Victoria.

January and February and 1936, January and February. First you have associated. You have abbreviated that. You might just fill out those names before they are copied so that the name in full is copied into the exhibit. That is the Associated -- A. Textile (Canada) of Canada.

Q. Associated Textile Company of Canada. For January, 1935 their sales -- this is the shipments, actual shipments? A. Yes.

Q. Actual shipments given to you? A. Yes.

Q. January, 1935, their actual shipments were 215,781 yards, or it is -- A. Yards.

MR. MONTGOMERY: 215,781. January, 1936, it is 264,705. In February, 1935, it was 129,641, and in February, 1936, it was 220,665.

MR. HEWARD: These are shipments?

MR. MONTGOMERY: Yes, shipments in yards, Mr. Howard.

Q. Where are they located? A. Their head office is in Montreal.

BY THE COMMISSIONER: Q. Where do they manufacture? A. Mr. Taylor can tell you that. I am not sure what mill does it.

BY MR. McRUER: Q. These are artificial silk only, these shipments? A. As far as I know; that is what I asked for.

Q. Binz, in January, 1935, 126, 691 yards, January, 1936, 107,896. In February, 1935, 134,321 and January, 1936, 118,912.

THE COMMISSIONER: You say January?

MR. McRUER: February, 1936; I beg your lordship's pardon.

BY MR. BALLANTYNE: What was the last one?

MR. McRUER: 118,912; there is a shrinkage of about 16,000 yards there; and the next one --

A. Bruck.

THE COMMISSIONER: Who?

MR. McRUER: Bruck Company; what is the proper name for them? A. Bruck Silks, Limited.

Q. They are located where? A. Cowansville, Quebec.

Q. They make both real silk and artificial silk?

A. Yes.

Q. But this is artificial silk, just? A. Yes.

Q. January, 1935, 244,982, January, 1936, 185,669; February, 1935, 152,646; February, 1936, 199,044. Celanese -- now, they are the big manufacturers of --

A. Acetate yarns and fabrics.

Q. January, 1935, 1,391,136, January, 1936, 1,637,370. They are up nearly 300,000. In February, 1935, 1,212,144 -- A. 114.

Q. 114, yes; in February, 1936, 1,337,054, up there again over 100,000. Consolidated --

BY MR. MORDEN: Q. These are artificial silk only, these shipments? A. As far as I know; that is what I asked for.

Q. Plus, in [illegible], 1924, 491 yards, [illegible] 1926, 107,896. In February, 1926, 154,321 and January 1926, 219,219.

THE COMMISSIONER: You say January?

MR. MORDEN: February, 1926; I beg your lordship's pardon.

BY MR. RAINNATYNE: What was the last one?

MR. MORDEN: 118,918; there is a shrinkage of about 16,000 yards there; and the next one --

A. Drawn.

THE COMMISSIONER: Why?

MR. MORDEN: Brook Company; what is the proper name for them? A. Brook Silks, Limited.

Q. They are located where? A. Cowansville, Quebec.

Q. They make both real silk and artificial silk?

A. Yes.

Q. But this is artificial silk, just? A. Yes.

Q. [illegible], 1926, 101,[illegible] [illegible], 1924, 144,[illegible]. Delaness -- now, they are the big manufacturers of --

A. Acetate yarns and fabrics.

Q. [illegible], 1926, 1,557,570. They are up nearly 500,000. In [illegible] 1925, 1,212,144 -- A. 114.

Q. 114, yes; in February, 1926, 1,557,564, up [illegible] -- [illegible] 100,000. Consolidated --

A. Silk Mills.

Q. Silk Mills. A. Located at St. Hyacinthe.

Q. St. Hyacinthe, Quebec; that is Mr. Bornstein's, that we have just heard from? A. Yes.

Q. January, 1935, 278,352, in January, 1936, 144,947; February, 1935, 177,992, February, 1936, 136,828. Mr. Bornstein has been down in both months. Then, Roessel -- A. Roessel.

Q. January, 1935, 10,000 -- A. Estimated, Mr. McRuer.

Q. Estimated, I see; January, 1936, 18,417. That is actual? A. No, that is still estimated.

Q. February, 1935, estimated 10,000 and February, 1936, 18,417. Now, we come to the Dominion Textile Company. In January, 1935, 288,361, in January, 1936, 250,248; in February, 1935, 425,140, in February, 1936, 544,988. So on the two months they must show a gain of over -- about 100,000 yards.

MR. HEWARD: Would you give me the figure for January, 1935?

MR. McRUER: Yes, January, 288,361. Montreal Cottons, that is a company associated with the Dominion Textiles? A. Yes.

Q. January, 1935, 43,650, January, 1936, 249,950; February, 1935, 85,250, February, 1936, 230,200. You have Canadian here; that is the Canadian Cottons, Limited? A. Canadian Cottons, Limited.

Q. In January, 1935, 188,322, in January, 1936, 213,220; in February, 1935, 200,598, in February, 1936,

A. Silk Mills.

Q. Silk Mills. A. Located at St. Hyacinthe.

Q. St. Hyacinthe, Quebec; that is Mr. Bornstein's, that we have just heard from? A. Yes.

Q. January, 1935, 276,352, in January, 1936, 144,147; February, 1935, 17,[illegible], February, 1936, 186,928. Mr. Bornstein has been down in both months. Then, Rosenzel -- A. Rosenzel.

Q. January, 1935, 10,000 -- A. Estimated, Mr. Morgan.

Q. Estimated, I see; January, 1936, 18,417. That is actual? A. No, that is still estimated.

Q. February, 1935, [illegible] 10,[illegible] and February, 1936, 18,417. Now, we come to the Dominion Textile Company. In January, 1935, 489,551, in January, 1936, 240,248; in February, 1935, 425,140, in February, 1936, 544,988. So on the two months they must show a gain of over -- about 100,000 yards.

MR. HAYNES: Would you give me the figure for January, 1932?

MR. MORGAN: Yes, January, 288,301. Montreal Cottons, that is a company associated with the Dominion Textiles? A. Yes.

Q. January, 1935, 43,550, January, 1936, 249,950; February, 1935, 55,250, February, 1936, 220,200. You have Canadian here; that is the Canadian Cottons, Limited? A. Canadian Cottons, Limited.

Q. In January, 1935, [illegible] 10 January, 1936, [illegible],250; in February, 1936, 200,599, in February, 1936,

208,710.

And then you have made a summary taking them altogether which shows that the total for January and February of 1935 showed 5,314,979 yards and the total for January and February, 1936 showed 6,115,241 yards or 1936 in excess of 1935 800,262 yards?

A. Yes.

THE COMMISSIONER: That is for January and February both?

MR. McRUER: Yes, my lord.

(page 1645 follows)

06,710.

And then you have made a summary taking them all together which shows that the total for January and February of 1926 showed 5,324,979 yards and the total for January and February, 1926 showed 6,116,241 yards or 1926 in excess of 1925 800,262 yards?

A. Yes.

THE COMMISSIONER: That is for January and February both?

MR. MORLEY: Yes, my lord.

(page 1,345 follows)

Q. Now, you secured from the Dominion Textile Company a statement of stock of all rayon cloth and rayon and cotton cloth on hand at the Verdun Branch at certain specific periods named, from September 29th, 1934, to August 1935--A. April.

Q. April, 1935? A. Yes.

Q. Then we have to take this in conjunction with the Sherbrooke figures to get the complete figure? A. No, you have to take that in conjunction with the Magog figures to get a complete figure of the situation as it now is.

Q. Yes, I know, but the Verdun plant was removed to Sherbrooke later on? A. Yes.

Q. So that we also have to take with the Magog figures the Sherbrooke figures to get the complete figure down to date? A. Yes.

MR. HEWARD: What is the Exhibit number?

MR. McRUER: This will be Exhibit 130, my lord.

THE COMMISSIONER: Yes, Exhibit 130.

EXHIBIT 130: Stock of all rayon cloth, also rayon and cotton cloth on hand at Verdun branch, from Sept. 29th, 1934 to April 27th, 1935.

THE COMMISSIONER: What is it, Mr. McRuer?

MR. McRUER: It is the stock of rayon on hand at the Verdun Branch.

THE COMMISSIONER: Of the Dominion Textile Co.?

MR. McRUER: Yes, my lord.

THE COMMISSIONER: Yes, when?

MR. McRUER: From September 29th, 1934, to April

Q. Now, you secured from the Dominion Textile Company a statement of stock of all rayon cloth and rayon and cotton cloth on hand at the Verdun Branch at certain specific periods named, from September 29th, 1944, to April 27th, 1945?

A. April, 1945? A. Yes.

Q. Then we have to take this in conjunction with the Sherbrooke figures to get the complete figure?

A. No, you have to take that in conjunction with the Magog figures to get a complete figure of the situation as it now is.

Q. Yes, I know, but the Verdun plant was removed to Sherbrooke later on? A. Yes.

Q. So that we also have to take with the Magog figures the Sherbrooke figures to get the complete figure down to date? A. Yes.

MR. HEWARD: What is the Exhibit number?

MR. MORROW: This will be Exhibit 150, my lord.

THE COMMISSIONER: Yes, Exhibit 150.

EXHIBIT 150: Stock of all rayon cloth, also rayon and cotton cloth on hand at Verdun branch, from Sept. 29th, 1944 to April 27th, 1945.

THE COMMISSIONER: What is it, Mr. McInerney?

MR. MORROW: It is the stock of rayon on hand at the Verdun Branch.

THE COMMISSIONER: Of the Dominion Textile Co.?

MR. MORROW: Yes, my lord.

THE COMMISSIONER: Yes, thank

MR. MORROW: From September 29th, 1944, to April

27th, 1935. Now, just for a moment, to make a comparison between December 22nd, 1934 and March 30th 1935, I see the stock on hand at that ~~wa~~ branch jumped from 163,759 --

THE COMMISSIONER: What, yards?

MR. McRUER: Yes, my lord, to 371,835 yards.

MR. GEOFFRION: Is that rayon?

MR. McRUER: Yes, between December, 1934 and March, 1935.

MR. GEOFFRION: Rayon and mixtures.

THE WITNESS: There are a few mixtures, not very many.

BY MR. McRUER: Q. The mixture business does not amount to very much? A. I think there was 70,000 yards.

MR. McRUER: We will be going into that later on.

THE COMMISSIONER: Both pure rayon and rayon mixtures, rayon and cotton.

MR. HEWARD: It is a mixture of rayon and cotton.

THE COMMISSIONER: Part of it is mixed rayon and cotton.

MR. HEWARD: Yes, my lord.

MR. McRUER: I think it is correct to say, that it is mostly pure rayon; there are some mixtures, but that forms a fairly small percentage of it.

BY MR. McRUER: Q. Now, you have got a statement of stock on hand at the Magog Print Works of the Dominion Textile Company. Is this the statement?

1955, I see the stock on hand at that ~~=~~ branch jumped from 163,759 --

MR. MORDEN: Yes, my lord, to 271,855 yards.

MR. GROSTEKION: Is that rayon?

MR. MORDEN: Yes, between December, 1954 and March, 1955.

MR. GROSTEKION: Rayon and mixtures.

THE WITNESS: There are a few mixtures, not very many.

BY MR. MORDEN: Q. The mixture business does not concern us very much.

MR. MORDEN: We will be going into that later on.

THE COMMISSIONER: Both pure rayon and rayon mixtures, rayon and cotton.

MR. MORDEN: It is a mixture of rayon and cotton.

MR. MORDEN: Yes, my lord.

MR. MORDEN: A minor it is proper to say, that it is mostly pure rayon; there are some mixtures, but that forms a fairly small percentage of it.

BY MR. MORDEN: Q. Now, you have got a statement of what we have at the Dominion Textile Company. Is this the statement?

THE COMMISSIONER: What date?

MR. McRUER: From September 29th, 1934, to March 21st, 1936.

THE COMMISSIONER: That will be Exhibit 131.

EXHIBIT 131: Stock on hand at Magog Print Works, of all rayon cloths and cotton and rayon cloths only., Sept. 1934, to March 1936.

THE WITNESS: There are some mixtures in there.

BY MR. McRUER: Yes, rayon and some mixtures. ell, this covers the periods from Sept. 29th, 1934, to April 27th, 1935? A. Yes.

Q. And from September 28th, 1935, to March 21st, 1936? A. Yes.

THE COMMISSIONER: This comes from the Company itself?

BY MR. McRUER: Q. This was supplied to you by the Company? A. Yes, and was kept by Mr.Gordon.

Q. At any rate, for the purposes of comparison we find that on December 29th, 1934, there were on hand, at the Magog plant, 743,640 yards. On December 21st, 1935, which is the nearest date we can come to, my lord, because on December 28th, there is no report; your Lordship will recollect that the plant at Sherbrooke was closed that week, and probably the plant at Magog. This does not show any report for the week of December 28th but we have the week of December 21st, 1935, which shows on hand, the Magog plant, 1,646,760 yards.

MR. GORDON: Why don't you use December 22nd?

THE COMMISSIONER: What date?

MR. MORGAN: From September 29th, 1954, to March 31st, 1956.

THE COMMISSIONER: That will be Exhibit 131.

COUNTER-SUIT [illegible] of all rayon cloths and cotton and rayon cloths only., Sept. 1954, to March 1956.

THE WITNESS: There are some mixtures in there.

BY MR. MORGAN: Yes, rayon and some mixtures.

Q. All, this covers the periods from Sept. 29th, 1954, to April 27th, 1955? A. Yes.

Q. And from September 29th, 1955, to March 31st, 1956? A. Yes.

THE COMMISSIONER: This comes from the Company itself?

BY MR. MORGAN: Q. This was supplied to you by the Company? A. Yes, and was kept by Mr. Gordon.

Q. At any rate, for the purposes of comparison we find that on December 29th, 1954, there were on hand, at the Magog plant, 742,640 yards. On December 31st, 1955, which is the nearest date we can come to, my lord, because on December 28th, there is no report; your Lordship will recollect that the plant at Sherbrooke was closed that week, and probably the plant at Magog. This does not show any report for the week of December 28th but we have the week of December 31st, 1955, which covers the Magog plant, 1,044,740 yards.

Q. MORGAN: Why don't you use December 28th?

MR. McRUER: Mr. Gordon suggests that we should probably give them the previous years; that shows 1,067,360 on December 22nd, 1934, as against 1,646,760 in 1935; it was up about 600,000. Then on March 23rd, 1935, the amount on hand at the Magog plant was 965,400. On March 21st, 1936, it was 1,125,640. So the stock had dropped at the Magog plant between December 21st, 1935, and March 21st, 1936, from 1,646,760 to 1,125,640. Now, Mr. Hooper, you had some experience in the Textile business before you went to the Customs Department? A. Yes.

Q. What company were you with? A. The Barrymore Cloth Company.

BY THE COMMISSIONER: Q. What company? A. The Barrymore Cloth Company.

BY MR. McRUER: Q. Can you tell me what bulk orders are; can you tell me what the term "bulk order" means? A. It is an order placed by a ~~man~~ customer with the manufacturer to deliver a quantity of goods at a given price at some future date.

Q. Yes? A. Which is not specified when the order is given.

BY THE COMMISSIONER: Q. But the price is fixed? A. The price is fixed, unless the manufacturer breaks it again.

Q. The manufacturer what? A. Unless the manufacturer is forced to break it.

Q. Forced to break it how?? A. Well, sometimes they do. If prices fall, it might be better

MR. MORDEN: Mr. Gordon suggests that we should probably give them the previous years; that shows 1,647,440 on December 31st, 1934, as against 1,646,760 in 1935; it was up about 800,000. Then on March 31st, 1936, the amount on hand by the Magog plant was 965,400. On March 31st, 1936, it was 1,125,640. So the stock had dropped at the Magog plant between December 31st, 1935, and March 31st, 1936, from 1,646,760 to 1,125,640. Now, Mr. Dwyer, you had some difficulties in the Textile Quotas before you went to the Customs Department? A. Yes.

Q. What company were you with? A. The Barrymore Cloth Company.

BY THE COMMISSIONER: Q. What company?

A. The Barrymore Cloth Company.

BY MR. MORDEN: Q. Can you tell me what bulk orders are; can you tell me what the term "bulk order" means? A. It is an order placed by a ~~man~~ customer with the manufacturer to deliver a quantity of goods at a given price at some future date.

Q. Yes? A. Which is not specified when the order is given.

BY THE COMMISSIONER: Q. But the price is fixed? A. The price is fixed, unless the manufacturer breaks it again.

Q. The manufacturer what? A. Unless the manufacturer is forced to break it.

Q. Forced to break it how?? A. Well, sometimes they do. If prices fall, it might be better

for the manufacturer to reduce his price than to force the customer to take the material at the higher price.

BY MR. GEOFFRION: Q. You mean, they would give the benefit to the client of the reduction in price? A. They might. It just depends on how powerful the customer is.

BY THE COMMISSIONER: Q. How what? A. On how powerful the customer is.

BY MR. McRUER: Q. How much it would be worthwhile? A. To take a lower price.

Q. To share the loss with him? A. Yes.

Q. But a bulk order is an order for a large quantity of goods placed ahead in the future? A. Placed ahead, yes.

BY THE COMMISSIONER: Q. At a price presently fixed?

MR. McRUER: Yes, my Lord.

BY MR. McRUER: Q. And a specified order is what? A. One in which the cloth, and pattern or colour, and date of delivery is specified?

MR. McRUER: Yes.

MR. GEOFFRION: Your answer is not complete on bulk orders. What about specification and colour?

THE WITNESS: No, of course, in the bulk order, well, you can bring in specified orders and relate them to the bulk order, because sometimes a bulk order will be specified---

Q. When it is specified as to date it is no longer

for the manufacturer to render his price less by from the customer to take the material at the higher price.

BY MR. GUOTRICON: Q. You mean, they would give the benefit to the client of the reduction in price? A. They might. It just depends on how powerful the customer is.

BY THE COMMISSIONER: Q. How what? A. On how powerful the customer is.

BY MR. McRUER: Q. How much it would be worth-while? A. We take a lower price.

Q. To share the loss with him? A. Yes.

Q. But a bulk order is an order for a large quantity of goods placed ahead in the future? A. Placed ahead.

BY THE COMMISSIONER: Q. At a price presently fixed?

MR. McRUER: Yes, my Lord.

BY MR. McRUER: Q. And a specified order is what? A. One in which the cloth, and pattern or colour, and date of delivery is specified?

MR. McRUER: Yes.

MR. GUOTRICON: Your answer is not complete on bulk orders. What about specification and colour?

THE WITNESS: No, of course, in the bulk order, well, you can bring in specified orders and relate them to the bulk order, because sometimes a bulk order will be specified---

Q. When it is specified as to date it is no longer

a bulk order.

BY THE COMMISSIONER: The date of delivery, and the pattern, and everything like that; you would not call that a bulk order? A. No, that is a specified order.

BY MR. GEOFFRION: Q. In other words, both the date and the pattern are unspecified in the bulk? A. Yes.

BY THE COMMISSIONER: Q. Does not the price vary with different patterns? A. In some cases it would. But then it is more or less changes, - you might call it a range where you have similar patterns in a range. Then you would not specify as to price unless you were quite sure you were going to get a certain range.

BY MR. MCRUER: Q. Now, in the business as carried on, if a man orders 10,000 pieces of rayon taffeta, that is a bulk order? A. I don't know whether they would order rayon taffetas in bulk orders.

Q. Just ordering 10,000 pieces, or whatever it is, and before delivery does he specify from the bulk what he wants? A. Yes.

Q. That is what I want to get; he places an order for a bulk at a certain price, but before delivery then he specifies with the manufacturer the detail of given sizes? A. Yes.

Q. So that really a bulk order is, so to speak, only a covering order? A. A covering order.

a bulk order.

BY THE COMMISSIONER: The date of delivery, the pattern, and everything like that; you would not call that a bulk order? A. No, that is a specific order.

BY MR. GRUNTHLOW: Q. In other words, both the date and the pattern are unspecified in the bulk? A. Yes.

BY THE COMMISSIONER: Q. Does not the price vary with different patterns? A. In some cases it would. But then it is more or less changes, - you might call it a range where you have similar patterns in a range. Then you would not specify as to price unless you were quite sure you were going to get a certain range.

BY MR. MONTER: Q. Now, in the business as carried on, if a man orders 10,000 pieces of rayon taffeta, that is a bulk order? A. I don't know another [illegible] pieces [illegible] in bulk orders.

Q. That ordering 10,000 pieces, or whatever it is and before delivery does he specify from the bulk what he wants? A. Yes.

Q. That is that I want to get; he places an order for a bulk at a certain price, but before delivery then he specifies with the manufacturer the detail of [illegible].

Q. So that really a bulk order is, so to speak, only a covering order? A. A covering order.

Q. Just before it is filled the manufacturer receives a specific order? A. Before it is filled?

Q. Yes? A. Yes. The manufacturer will, in all likelihood, either buy his raw materials and, in some cases, make the goods up as far as he can go.

Q. Yes, but what I am getting at is, if you were taking a list of bulk orders and specified orders, and adding them together you would have the manufacturers correct number of orders that he has had over that period, or should you dissect the bulk orders into specified orders as they are specified?

A. Your total of specified orders and bulk orders would not give a true picture. You would have bulk orders included twice because they would have to come out of bulk and go into specified orders.

BY THE COMMISSIONER: Q. When they were delivered?

A. Or when they became specified orders; they are transferred then.

BY MR. McRUER: Q. Well then, if you want to get the position in regard to orders, the specified orders would show the orders in which there had been a statement given to the manufacturer of what the customer wants for delivery? A. Yes.

THE COMMISSIONER: And when he wants it?

MR. McRUER: And when he wants it, yes.

BY MR. McRUER: Q. Now, have you prepared a statement showing the specified orders for rayon at the Magog plant? A. Yes.

Q. On hand at the Magog plant of the Dominion

Q. Yes? A. Yes. The manufacturer will, in all likelihood, either buy his raw materials and, in some cases, make the goods up as far as he can go.

Q. Yes, but what I am getting at is, if you were taking a list of bulk orders and specified orders, and adding them together you would have the manufacturers correct number of orders that he has had over that period, or should you dissect the bulk orders into specified orders as they are specified?

A. Your total of specified orders and bulk orders would not give a true picture. You would have bulk orders included twice because they would have to come out of bulk and go into specified orders.

BY THE COMMISSIONER: Q. When they were delivered A. Or when they become specified orders; they are transferred then.

BY MR. MORGAN: Q. Well then, if you want to get the position in regard to orders, the specified orders would show the orders in which there had been a statement given to the manufacturer of what the customer wants for delivery? A. Yes.

MR. MORGAN: And when he wants it, yes.

BY MR. MORGAN: Q. Now, have you prepared a statement showing the specified orders for Tuesday at the Magog plant? A. Yes.

Q. Yes, at the Magog plant of the Dominion

Textile Company? A. Yes.

Q. For a comparative statement, for the months of January and February, 1935 and 1936? A. Yes.

MR. McRUER: That will be Exhibit what, my lord?

5 EXHIBIT 132: Specified orders for rayon on hand at Magog Print Works, January and February, 1935 and 1936.

THE COMMISSIONER: That is a statement of what, Mr. McRuer?

10 MR. McRUER: Specified orders for rayon on hand at Magog Print Works of the Dominion Textile Company.

THE COMMISSIONER: You mean the orders on hand, specified orders on hand?

15 MR. McRUER: Yes, my lord.

THE COMMISSIONER: At the Magog Print Works?

MR. McRUER: Yes, my lord.

THE COMMISSIONER: When, Mr.McRuer?

MR. Mcruer: For January and February, of the

20 years 1935 and 1936.

THE COMMISSIONER: All right.

MR. McRUER: This is by weeks, my lord. The week of the 5th of January, 1935, 5,490.

THE COMMISSIONER: That means yards?

25 MR. McRUER: Is that yards or dollars?

THE WITNESS: No; that is expressed in terms of 40-yard pieces, my lord.

THE COMMISSIONER: Q.5,490 pieces? A. Yes, my lord.

30 MR. McRUER: Then the week of the 4th January, 1936, 8,646 pieces? In the week of the 12th January, 1935,

Textile Company? A. Yes.

Q. For a comparative statement, for the months of January and February, 1935 and 1936? A. Yes.

MR. McRUER: That will be Exhibit what, my lord?

[illegible] specified orders for rayon on hand at Magog Print Works, January and February, 1935 and 1936.

THE COMMISSIONER: That is a statement of what, Mr. McRuer?

MR. McRUER: Specified orders for rayon on hand at Magog Print Works of the Dominion Textile Company.

THE COMMISSIONER: You mean the orders on hand, specified orders on hand?

MR. McRUER: Yes, my lord.

THE CO MMISSIONER: At the Magog Print Works?

MR. McRUER: Yes, my lord.

[illegible]

MR. McRuer: For January and February, of the years 1935 and 1936.

[illegible]

MR. McRUER: This is by weeks, my lord. The week of the 5th of January, 1935, 5,490.

THE CO MMISSIONER: That means yards?

MR. McRUER: Is that yards or dollars?

THE WITNESS: No; that is expressed in terms of 40-yard pieces, my lord.

THE COMMISSIONER: [illegible] A. Yes, my lord.

MR. McRUER: [illegible] January, 1935 [illegible]? In the week of the 11th January, 1935

6,266 pieces.

The week of the 11th of Jan. 1936, 8,308 pieces.

In the week of the 19th of Jan 1935, 5,658 pieces.

The week of the 18th of Jan. 1936, 8,502 pieces,

The week of the 26th of Jan. 1935, 6,741 "

The week of the 25th of Jan. 1936, 7,835 "

The week of the 2nd of Feb. 1935, 6,699 "

The week of the 1st of Feb. 1936, 7,544 "

The week of the 9th of Feb. 1935, 6,910 "

The week of the 8th of Feb. 1936, 6,964 "

The week of the 16th Feb. 1935, 7,223 "

The week of the 15th Febr. 1936, 4,950 "

The week of the 23rd Feb. 1935, 6,259 "

The week of the 22nd of Feb. 1936, 4,678 "

The week of the 2nd of March, 1935, 5,842 "

The week of the 29th of Feb. 1936, 4,972 "

The week of the 9th of March, 1935, 4,174 "

The week of the 7th of March, 1936, 4,832 "

The average number of orders per week, in 1935, amounted to 6,126 pieces.

The average per week in 1936 was 6,723.

MR. GORDON: That should be orders on hand.

MR. McRUER: That is orders on hand per week, yes.

BY MR. McRUER: Q. Mr. Hooper, I asked you to make enquiries and find out what the United States tariff is at the present time on rayon piece goods imported from Japan. Have you done that?

A. Yes.

A.(Mr. Jones).

The week of the 11th of Jan. 1936, 8,308 pieces.

In the week of the 14th of Jan.1935, 5,658 pieces

The week of the 18th of Jan. 1936, 8,402 pieces,

The week of the 25th of Jan. 1935, 6,741 "

The week of the 25th of Jan. 1936, 7,835 "

The week of the 2nd of Feb. 1935, 6,699 "

The week of the 1st of Feb. 1936, 7,344 "

The week of the 9th of Feb. 1935, 6,510 "

The week of the 8th of Feb. 1936, 6,964 "

[illegible]

The week of the 15th Febr. 1935, 4,950 "

The week of the 22nd Feb. 1935, 5,859 "

The week of the 22nd of Feb. 1936, 4,878 "

The week of the 2nd of March, 1935, 5,948 "

The week of the 1st of Feb. 1936, 4,972 "

The week of the 9th of March, 1935, 4,174 "

The week of the 7th of March, 1936, 4,882 "

The average number of orders per week, in 1935, amounted to 6,1[illegible]5 pieces.

The average per week in 1936 was 6,726.

MR. GORDON: That should be orders on hand.

MR. MONDEN: That is orders on hand per week, yes.

BY MR. MONDEN: Q. Mr. Hooper, I asked you to make inquiries as to what was the duty under Canada's tariff is at the present time on rayon piece goods imported from Japan. Have you done that?

A. Yes.

Q. What is the tariff at the present time in the United States ofAmerica? A. The ad valorem rate is 60 per cent., specific at 45 cents per pound.

THE COMMISSIONER: Just the one?

THE WITNESS: And 45.

BY THE COMMISSIONER: Is there just the one scale? A. I asked for the tariff to be forwarded to me. I have not received it yet but I saw the tariff.

Q. You do not know whether that is Japan or most favoured nation? A. No.

BY MR. McRUER: Q. But that is as against Japan? A. As against Japan, yes.

THE COMMISSIONER: Tell me the figures again.

THE WITNESS: 60 per cent.ad valorem, and 45 cents a pound.

MR. McRUER: Q. Yes. Working that out on the basis of what the Importer would actually have to pay as compared with what the Importer would actually have to pay in Canada, which has the higher tariff at the present time, the more protection; which country has the highest tariff at the present time?
A. Canada.

Q. Is there any fixed valuation in the United States? A. Not that I know of.

Q. And is there any currency valuation? A. Not that I know of. Mr. Hallam seems to have something to say. I don't know whether he knows or not.

BY THE COMMISSIONER: Q. That would mean that the invoide value is taken so long as it is assumed to be

Q. What is the tariff at the present time in the United States of America? A. The ad valorem rate is 60 per cent., specific at 45 cents per pound.

THE COMMISSIONER: Just the one?

THE WITNESS: And 45.

BY THE COMMISSIONER: Is there just the one scale? A. I asked for the tariff to be forwarded to me. I have not received it yet but I saw the tariff.

Q. You do not know whether that is Japan or most favoured nation? A. No.

BY D. MORGAN: Q. But that is as against Japan?

A. As against Japan, yes.

THE COMMISSIONER: Tell us the figures again.

THE WITNESS: 60 per cent. ad valorem, and 45 cents per pound.

MR. MORGAN: Q. Yes. Working that out on the basis of what the importer would actually have to pay as compared with what the importer would actually have to pay in Canada, which has the higher tariff at the present time, the more protection, which country has the highest tariff at the present time?

A. Canada.

Q. Is there any fixed valuation in the United States? A. Not that I know of.

Q. And is there any currency valuation? A. Not [illegible]. Mr. Mahlum seems to have something [illegible]. I [illegible] is [illegible].

[illegible] Q. That would mean that the [illegible] value is [illegible] as it is assumed to be

honest, I suppose that is the result? A. That is what I understand to be the case, my lord. I have made further enquiries, and if I find it differently I will advise you.

THE COMMISSIONER: Do you know anything, Mr. McRuer, about the volume of Japanese importations?

MR. McRUER: Into the United States?

THE COMMISSIONER: Yes.

THE WITNESS: Yes, my lord. I understand - it is very small. The importation does not amount to very much in dress goods, in competition with American goods.

BY MR. McRUER: Q. And do you know, Mr. Hooper, whether these piece goods, fabrics, rayon fabrics, sell at a higher or a lower price on the American market than they do here? A. My information is that they are selling at a higher price on the American market than in Canada, generally.

Q. So that it will be easier for the Japanese merchant to undersell the American producer than it would the Canadian? A. Yes.

Q. If our price is lower here than it is in the United States? A. And our tariff is higher; our prices are lower.

MR. GORDON: You are referring to domestic prices.

THE WITNESS: Yes, Canadian prices.

MR. GEOFFRION: Canadian domestic and American domestic.

honest, I s ppose that is the result? A. That is what I understand to be the case, my lord. I have made further enquiries, and if I find it differently I will advise you.

THE COMMISSIONER: Do you know anything, Mr. McRuer, about the volume of Japanese importations?

MR. McRUER: Into the United States?

[illegible] Yes.

THE WITNESS: Yes, my lord. I understand - it is very small. The importation does not amount very much in dress goods, in competition with American goods.

BY MR. McRUER: Q. And do you know, Mr. Hooper, whether these piece goods, fabrics, rayon fabrics, sell at a higher or a lower price on the American mark than they do here? A. My information is that the are selling at a higher price on the American market than in Canada, generally.

Q. So that it will be easier for the Japanese merchant to undersell the American producer than it would the Canadian? A. Yes.

Q. If our price is lower here than it is in the United States? A. And our tariff is higher; our prices are lower.

MR. GORDON: You are referring to domestic prices

THE WITNESS: Yes, Canadian prices.

MR. GEOFFRION: Canadian domestic and American [illegible]estic.

THE WITNESS: The Canadian Manufacturers' price is generally lower at the present time than the American Manufacturers' price.

MR. McRUER: Now, we have a summary of the tariff on Canadian goods, similar to the one I put in.

THE COMMISSIONER: Pardon me a moment, Mr. McRuer. About the American tariff, you do not have any written statement?

MR. McRUER: No.

THE COMMISSIONER: What is this you are putting in now?

MR. McRUER: This is a summary of the tariff rates on principal cotton fabrics.

THE COMMISSIONER: You are making an exhibit of that, are you?

MR. McRUER: Yes, my lord, if you please.

THE COMMISSIONER: That will be Exhibit 133. Tariff rates on cotton fabrics, is that right?

MR. McRUER: Yes, my lord.

THE COMMISSIONER: Do you say on cotton fabrics?

MR. McRUER: On cotton fabrics, yes, my lord.

EXHIBIT 133: Summary of tariff rates on principal cotton fabrics.

MR. McRUER: Mr. Hooper is just afraid that we may have confused something he said in reference to the American tariff, and I want to make sure that the record correctly states what he wanted to say. Will you explain, Mr. Hooper, what it is that you have in mind?

THE WITNESS: If the Canadian tariff, as used

THE WITNESS: The Canadian Manufacturers' price is generally lower at the present time than the American Manufacturers' price.

MR. MORUER: Now, we have a summary of the tariff on Canadian goods, similar to the one I put in.

THE COMMISSIONER: Pardon me a moment, Mr. Morguer. About the American tariff, you do not have any written statement?

MR. MORUER: No.

THE COMMISSIONER: What is this you are putting in now?

MR. MORUER: This is a summary of the tariff rates on principal cotton fabrics.

THE COMMISSIONER: You are making an exhibit of this are you?

MR. MORUER: Yes, my lord, if you please.

THE COMMISSIONER: That will be Exhibit 158.

Tariff rates on cotton fabrics, is that right?

MR. MORUER: Yes, my lord.

THE COMMISSIONER: Do you say on cotton fabrics?

MR. MORUER: On cotton fabrics, yes, my lord.

EXHIBIT 158: Summary of tariff rates on principal cotton fabrics.

MR. MORUER: Mr. Hooper is just afraid that we may have confused something he said in reference to the American tariff, and I want to make sure that the record expressly states that he meant to say.

Will you explain, Mr. Hooper, what it is that you have in mi

THE WITNESS: If the Canadian tariff, as used

with the Customs Act, is higher than the American tariff---

BY MR. McRUER: Q. That is, the protection afforded the Canadian producer is greater in Canada than the protection afforded the American producer in the United States as against Japanese importations? A. That is our understanding from the information we have at this time.

BY THE COMMISSIONER: Q. Can you venture any statement as to how much higher it is? A. My lord, I think it is five per cent., or something like that. I did not work it out.

Q. Five per cent.? A. Yes, my lord.

Q. Five per cent. higher in Canada than in the United States? A. Yes.

Q. I thought by the figures you gave us that it was very much higher? A. No, I am saying higher in Canada.

Q. I know you are. A. And yet, on the surface, it would look higher in the United States. You are taking the the examples to come to a conclusion there; the rate as given, that is, 45 cents a pound and 60 per cent. would compare higher than 40 per cent and 40 cents a pound.

BY MR. McRUER: Q. What you have to take into consideration is the currency values? A. Yes, that makes up the difference.

BY THE COMMISSIONER: Q. Our tariff remains then about 5 per cent. higher ? A. About 5 per cent.

with the Customs Act, is higher than the American

tariff---

Mr. McKAY: Q. Well is, the preferential rate

on specific duties is pre-NAFTA is based, such the

[illegible] [illegible] the [illegible] [illegible]

[illegible] as [illegible] [illegible] [illegible]

is not [illegible] from the [illegible] [illegible]

[illegible] [illegible].

BY THE COMMISSIONER: Q. Can you venture any

statement as to how much higher it is? A. My lord,

I think it is five per cent., or something like that.

I did not work it out.

Q. Five per cent.? A. Yes, my lord.

Q. Five per cent. higher in Canada than in the

[illegible] A. Yes.

Q. A comparison of the figures you gave us that it

was very much higher? A. No, I am saying higher

in Canada.

Q. I know you are. A. And yet, on the sub-

[illegible], it [illegible] in the [illegible] [illegible].

[illegible] [illegible] [illegible] [illegible] [illegible] [illegible]

there; the rates as given, [illegible] [illegible]

and 60 per cent. would compare higher than 40 per cent

and 40 cents a pound.

BY Mr. McKAY: Q. What you have to take into

consideration is the currency values? A. Yes, the

[illegible] [illegible] [illegible].

BY THE COMMISSIONER: Q. The tariff remains the

[illegible] [illegible] [illegible]? A. About 5 per cent.

higher, my lord; that will be checked.

BY MR. McRUER: Q. Probably it might be more accurate to say the protection is about 5 per cent. greater? A. Yes.

THE COMMISSIONER: The protection is about 5 per cent greater?

MR. McRUER: Yes, my lord. Now, Exhibit 133 is a summary of tariff rates on principal cotton fabrics. I might read it to your lordship.

THE COMMISSIONER: It is what? That is Exhibit 133.

MR. McRUER: Yes, my lord.

THE COMMISSIONER: Tariff rates on cotton fabrics?

MR. McRUER: Yes, my lord.

THE COMMISSIONER: That is, you are leaving rayon and going into cotton?

MR. McRUER: Yes, my lord. This exhibit reads: "The bulk of the cotton fabrics imported are embodied in three or four items, which would include calicos, sheetings, flannelettes, prints, ginghams, denims, tapestries and cord tire fabrics, to mention a few, while cotton ducks, canvases, sail cloth and certain dryer felts used by papermakers were, during a certain period, provided for in a special item. The latter will, therefore, be treated separately."

"In the following table the term "Gray" means unbleached and uncoloured, while the term "coloured may mean plain dyed or printed or composed of dyed yarns. The following were the respective

higher, my lord; that will be checked.

BY MR. MORDEN: Q. Probably it might be more accurate to say the protection is about 5 per cent. greater? A. Yes.

THE COMMISSIONER: The protection is about 5 per cent or more?

MR. MORDEN: Yes, my lord. Now, Exhibit 12 is a summary of tariff rates on principal cotton fabrics. I might read it to your lordship.

THE COMMISSIONER: It is what? That is Exhibit

MR. MORDEN: Yes, my lord.

THE COMMISSIONER: Tariff rates on cotton fabrics.

A. Yes, my lord.

THE COMMISSIONER: That is, you are leaving rayon and going into cotton?

MR. MORDEN: Yes, my lord. This exhibit reads:

"The bulk of the cotton fabrics imported are embodied in three or four items, which would include muslins, Swiss, Nainsooks, Jaconets, percales, ginghams, denims, tapestries and cord tire fabrics, to mention a few, while cotton duck, canvases, sail cloth and certain dryer felts used by paper-makers [illegible], forms a separate grouping, crystal for in a special item. The latter will, therefore, be kept in consideration.

"In the following table the term 'Gray' means unbleached and uncolored, while the term 'GENERAL' may mean plain dyed or printed or composed of dyed [illegible]

rates:

		Gray	Bleached	Coloured
1907	British Pref.	15%	17½%	25%
	Intermediate	22½%	22½%	30%
	General,	25%	25%	32½%
1922	British Pref.	12½%	15%	22½%
	Intermediate	22½%	22½%	30%
	General,	25%	25%	32½%
1928	British Pref.	12½%	15%	20%
	Intermediate,	20%	22½%	25%
	General	22½%	25%	27½%

From 1928 to 1930 the rate on coloured fabrics manufactured from dyed yarns, such as denims, ginghams, tapestries, etc., was 30% under the General Tariff.

1930:	British Pref.	17½% and 3¢ per pound,	20% 3¢ per pound	22½% 3¢ per pound
	Intermediate	20% 3½¢ per pound	22½% 3½¢ per pound	27½% 3½¢ per pound
	General,	25% and 4¢ per pound	27½% 4¢ per pound	32½% 4¢ per pound
1932:	British Pref."			

BY MR. McRUER: Q. Now, Mr. Hooper, could you tell me how these specific duties worked out in the actual appraisal for duty on those cotton goods. Where we have a duty of 17½% and 3 cents a pound on an article, what was the practical working out of that? A. A computation would be made taking 17½% of the average market value, or the invoiced value, whichever was the higher, and taking the three cents for ~~eav~~ every pound of cloth in the shipment.

Q. Yes, and take a cheap, coarse goods, that was heavy, how did the 3 cents a pound work out on that? A. Well, it might be anywhere from 10% to 25%.

Q. Would, in some cases, the specific duty be more than the ad valorem duty? A. It is quite

Rates:

		Grey	Bleached	Coloured
1927	British Pref.	16%	17%	20%
	Intermediate	22½%	23½%	30%
	General	25%	25%	32½%
1932	British Pref.	16½%	18%	22½%
	Intermediate	22½%	22½%	30%
	General	25%	25%	32½%
1935	British Pref.	18½%	18%	20%
	Intermediate	30%	22½%	30%
	General	32½%	25%	37½%

From 1932 to 1935 the rate on coloured fabrics manufactured from dyed yarns, such as denims, ginghams, tapestries, etc., was 30% under the General Tariff.

1927: British Pref. 17½% and 3¢ per pound, 3¢ per pound 3¢ per pound
Intermediate 23½ per pound 23½% 23½ per pound
General, 25% 27½% 32½% and 44 per pound 44 per pound 44 or pound

1932: British Pref."

MR. MORGAN: Q. Now, Mr. Hooper, could you tell me how these specific duties worked out in the

[illegible]

there we have a duty of 17½% and 3 cents a pound on an article, what was the practical working out of that?

[illegible]

of the average market value, or the invoiced value,

[illegible]

for one every pound of cloth in the shipment.

Q. Yes, and take a cheap, coarse goods, that was heavy, how did the 3 cents a pound work out on that?

A. Well, it might be anywhere from 10% to 20%.

Q. Would, in some cases, the specific duty be more than the ad valorem duty? A. It is quite

BY THE COMMISSIONER: Q. That is on a coarse article, a cheaper article? A. A cheap articles, yes.

Q. Because of the weight? A. On account of the weight.

BY MR. McRUER: Q. On a fine, expensive article that would be light in weight, it would pay less specific duty than the coarse, heavy article? A. In relation to the value, yes.

Q. Yes, in relation to the value.

BY THE COMMISSIONER: You say it would pay a higher duty? A. No, my lord, specific. It is just the weight. A broad cloth, or a fine fabric, it would be very little on that; it would be less than 10 per cent., but might go as high as 25 per cent. on acheap, heavy fabric.

BY MR. McRUER: Q. Well then, in 1932, there was a change made, in the British Preference, the ad valorem remained the same. The specific was reduced by a cent a pound? A. Yes.

Q. On goods coming in from Britain? A. Goods entitled to enter under the British Preference Tariff.

Q. Under the British Preference Tariff? A. Yes.

BY THE COMMISSIONER: Q. That is from Great Britain alone? A. Yes, my lord, and some of the Dominions.

BY MR. McRUER: Q. Now, attached to this is a table of cotton ducks and heavy canvases, which I shall not bother reading to your Lordship at the

BY THE COMMISSIONER: Q. That is on a coarse article, a cheaper article? A. A cheap article, yes.

Q. Because of the weight? A. On account of the weight.

BY MR. MORGAN: Q. On a fine, expensive article that would be light in weight, it would pay less specific duty than the coarse, heavy article?

A. In relation to the value, yes.

Q. Yes, in relation to the value.

BY THE COMMISSIONER: You say it would pay a higher duty? A. Yes, my lord, specific. It is just the weight. A broad cloth, or a fine fabric, it would be very little on that; it would be less than 10 per cent., but might go as high as 25 per cent. on cheap, heavy fabric.

BY MR. MORGAN: Q. Well then, in 1892, there was a change made, in the British Preference, the ad valorem remained the same. The specific was reduced by a cent a pound? A. Yes.

Q. On goods coming in from Britain? A. Goods entitled to enter under the British Preference Tariff?

Q. Under the British Preference Tariff? A. Yes.

BY THE COMMISSIONER: Q. That is from Great Britain alone? A. Yes, my lord, and some of the Dominions.

BY MR. MORGAN: Q. Now, attached to this is a table of cotton duck and heavy canvases, which I shall not bother reading to your Lordship at the

present time. There may come a time when we shall have to look at it. Then that is Exhibit 133.

Then the next exhibit is The Tariff rates on cotton yarn. I do not think I will file that just at the moment, my lord. There is a little difference between myself and Mr. Berry in regard to this, and I think I will let Mr. Hooper and Mr. Berry work it out together, to make sure that we will get it right. We had a little difference about that at Three Rivers and we might as well have the record right. Now, I think that is everything I want to ask Mr. Hooper just now, my lord.

THE COMMISSIONER: Very well. Do you want to examine him now?

MR.LANCTOT: My lord, as to cross-examining him we can hardly do that now, but when we have the documents then we will be prepared to cross-examine him.

THE COMMISSIONER: That will be understood, Mr. Lanctot.

MR. GEOFFRION: The same remarks apply to us, my lord.

THE COMMISSIONER: Oh yes, Mr. Geoffrion. What is next, Mr. McRuer?

MR. McRUER: I have some of the fortnightly time books, my lord, that Mr. Ballantyne has been good enough to bring here. Your lordship will remember one ofthem was marked as an exhibit.

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THE COMMISSIONER: That has reference to the Sherbrooke plant?

MR. McRUER: Yes, that has reference to the Sherbrooke plant. It is exhibit number 34.

My lord, it would be a great convenience to my friend, Mr. Geoffrion, if we did not proceed with Mr. Gordon until to-morrow morning.

THE COMMISSIONER: That is alright. At what time do you suggest sitting to-morrow morning in Montreal?

MR. McRUER: We can sit at ten o'clock.

THE COMMISSIONER: Ten o'clock is not too early?

MR. McRUER: No.

THE COMMISSIONER: That is alright.

MR. McRUER: Yes, that is alright. We will just straighten out this matter in regard to these books before we adjourn. Probably you better just take the record, Mr. Ballantyne, and straighten them out. Then we will put them in in the morning.

THE COMMISSIONER: There is some question yet about exhibit 33.

MR. McRUER: Mr. Ballantyne is going to look up in the record.

THE COMMISSIONER: Is there anything else to be done this afternoon?

MR. McRUER: I think not, my lord.

THE COMMISSIONER: Then, we will adjourn till to-morrow morning at ten o'clock.

-- The Commission adjourned at 4.35 p.m., Friday, April 3rd, 1936 to resume on Saturday, 4th April, 1936 at 10 a.m.

THE COMMISSIONER: That has reference to the smoke-stacks.

MR. HOWDEN: Yes, that has reference to the smoke-stacks. It is exhibit number 32.

Mr. Lam, it would be a great convenience to my friend, Mr. Gentleman, if we did not proceed with Mr. Carson until to-morrow morning.

THE COMMISSIONER: That is alright. At what time do you suggest sitting to-morrow morning in Montreal?

MR. HOWDEN: We can sit at ten o'clock.

THE COMMISSIONER: Ten o'clock is not too early?

MR. HOWDEN: No.

THE COMMISSIONER: That is alright.

MR. HOWDEN: Yes, that is right. We will just start in with the matter in regard to these boilers before we adjourn. Probably you better just take the room, Mr. Gallagher, and start later them out. Then we will put them in in the morning.

THE COMMISSIONER: There is some question yet about exhibit 32.

MR. HOWDEN: Mr. Gallagher is going to look up in the record.

THE COMMISSIONER: Is there anything else to be done this morning?

MR. HOWDEN: I think not, my Lord.

THE COMMISSIONER: Then, we will adjourn till to-morrow morning at ten o'clock.

-- The Commission adjourned at 4.45 p.m., Friday, April 4th, 1913 to resume on Saturday, 4th April, 1913 at 10 a.m.

ROYAL COMMISSION ON THE TEXTILE INDUSTRY

HON. MR. JUSTICE W.F.A. TURGEON,

Commissioner.

A. S. Whiteley, Secretary.

THIRTEENTH DAY

Robert Brydie,
Official Reporter.

ROYAL COMMISSION ON THE TEXTILE INDUSTRY

HON. MR. JUSTICE W.F.A. TURGEON,

Commissioner.

A. S. Whiteley, Secretary.

Appearances:

J. C. McRuer, K.C. and E. Beauregard, K.C.	Commission Counsel,
J. P. Lanctot, K.C.	For Special Committee of Primary Textile Industries.
C. G. Heward, K.C., Aime Geoffrion, K.C. and C. T. Ballantyne,	For Dominion Textile Co.
S. G. Dixon, K.C.,	For Courtaulds, Limited.
W. A. Forsyth, K.C.	For Canadian Celanese Ltd. and Canadian Silk Products, Limited.
Francois Lajoie, K.C.	For the Wabasso Cotton Company, Limited.

-- oOo --

Robert Brydie,
Official Reporter.

[illegible]

[illegible] Counsel.

A. E. Hinsley, Secretary.

APPEARANCES:

J. C. Honnet, K.C. and H. Bassinowitz, K.C.	Respondents Counsel.
J. Z. Lamontagne, K.C.	For Provincial Committee of Industry Textile Industries.
C. C. Howard, K.C., Alan Geoffrion, K.C. and C. T. Williamsons.	For Dominion Textile Co.
E. D. Blanc, K.C.	For CANADIAN Limited.
J. A. Forsyth, K.C.	For Operation Columbus Ltd. and Operation Milk Producers Limited.
Francois Lajoie, K.C.	For the Tobacco Costom Company, Limited.

--- 4/4 ---

Robert Brydie,
Official Reporter.

PALAIS DE JUSTICE,
Montréal, P. Qué.
Le 4 avril, 1936.

LA SEANCE EST OUVERTE A 10 HEURES, A.M.

M. LEO LAMONTAGNE, est assermenté:-

PAR M. BEAUREGARD:-

Q. M. Lamontagne, quel est votre âge? R. 27 ans.

Q. Etes-vous marié? R. Oui, monsieur.

Q. Avez-vous des enfants? R. Pas d'enfants.

Q. Où demeurez-vous? R. 125 Belbédère, Sherbrooke.

Q. Quel est votre emploi? R. Je suis en tête des arrangeurs de métiers.

Q. Vous travaillez dans la section de soie?

R. Dans la sectionde soie.

Q. A l'usine de la Dominion Textile, à Sherbrooke?

R. Oui, monsieur.

Q. Vous êtes en tête des arrangeurs de métiers? R. Oui.

Q. Dois-je comprendre que c'est vous qui dirigez les autres arrangeurs de métiers. R. Je me trouve pas à diriger, seulement, quand il y a un moulin qui ne fonctionne pas, c'est moi qui doit le faire partir.

Q. Vous êtes le premier de l'équipe? R. Oui.

Q. Au premier étage? R. En bas.

Q. Combien de métiers avez-vous à réparer. Etes-vous dans le département des métiers à tisser?

R. Je travaille de nuit, je me trouve à en avoir cinq à arranger. Quand ils ont besoin de moi, c'est moi qui leur aide, c'est moi qui leur donne les morceaux pour le réparage. Je vois seulement.

Q. Depuis combien de temps est-ce que vous travaillez là?

R. Depuis huit ans; c'est-à-dire que j'ai pas toujours travaillé

.....

Q. Depuis combien de temps travaillez-vous à ces métier-là dans la section de la soie.

5

10

15

20

25

30

R. Depuis huit mois.

Q. Bois artificielle? R. Bois artificielle, soie à rayon.

Q. Quel est votre salaire actuellement? R. Quarante-huit sous de l'heure.

Q. Etes-vous payé à l'heure ou à la journée?

R. A l'heure.

Q. Actuellement, combien d'heures travaillez-vous par jour?

R. Douze heures par nuit.

Q. Est-ce comme ça depuis les huit mois que vous travaillez dans ce département? R. Oui, monsieur.

Q. Combien de nuits par semaines? R. De ce temps-ci, trois nuits une semaine et deux l'autre.

Q. Actuellement, vous travaillez trois nuits par semaine?

R. Trois nuits une semaine, et deux l'autre semaine.

Q. Depuis combien de temps travaillez-vous trois nuits par semaine? R. Depuis six janvier.

Q. 1936? R. 1936.

Q. Depuis janvier, 1936, vous n'avez pas travaillé plus que trois nuits par semaine? R. Trois nuits, une semaine, deux l'autre. Des fois, je travaille une journée du jour, le vendredi, des fois.

Q. Est-ce qu'il est arrivé que vous ne travailliez pas du tout dans le cour de la semaine? R. C'est arrivé, trois semaines, quand nous avons arr^eté.

Q. Quand l'usine a fermé? R. Quand l'usine a fermé.

Q. Vous avez été trois semaines sans travailler?

R. Nous avons été trois semaines sans travailler.

Q. Et, vous avez repris votre travail. Depuis ce temps-là, vous travaillez trois nuits pas semaine. R. Oui, monsieur. 12 heures par nuit et 48 sous de l'heure.

Q. C'est le résumé de votre situation? R. Oui, monsieur.

Laurentide Co.

Q. Depuis quels mois.

Mais antérieurement.

R. Oui antérieurement, mais

R. Depuis.

Q. Quand avez vous commencé à travailler? R. Vingt-huit-huit

sous de l'heure.

Q. Pour à l'heure ou à la journée?

R. A l'heure.

Q. Actuellement, combien d'heures travaillez-vous par jour?

R. Douze heures par nuit.

Q. Qu'est-ce donc qu'après les nuit vous travaillez

dans la journée? R. Oui, monsieur.

Q. Combien de nuits par semaine? R. Je ne travaille-pas, je

suis en service et dans l'usine.

Q. Actuellement, vous travaillez trois nuits par semaine?

R. Trois nuits par semaine, le reste l'usine marche.

Q. Depuis combien de temps travaillez-vous trois nuits par

semaine? R. Depuis six janvier.

Q. 1886? R. 1896.

Q. Depuis janvier, 1896, vous n'avez pas de travail plus que

trois nuits par semaine? R. Trois nuits, que machine

dans l'usine. Une fois, je travaille une journée de jour, le

vendredi, pas trois.

Q. Est-ce qu'il est arrivé que vous ne travaillez pas du tout

dans le cours de la année? R. Arrêt usine, trois semaines

par. Quand vous travaillez?

Q. Quand l'usine a fermé? R. Quand l'usine a fermé.

Q. Vous avez pas une année complète travaillé?

R. Pas avec cet année travaillé.

Q. Vous avez jamais entre journée. Depuis six semaines-là,

vous travaillez trois nuits par semaine? R. Oui, monsieur.

Le salaire par nuit et 45 sous de l'heure.

Q. Qu'est-ce vous avez de votre salaire? R. Oui, monsieur.

Q. Avant cela, que faisiez-vous? R. J'étais sur une section, j'étais arrangeur sur une section.

Q. A quel salaire? R. Quarante six sous.

Q. Depuis huit mois, le salaire que vous gagnez est de quarante-huit sous? R. Quarante-huit sous.

Q. Avant, vous gagniez quarante-six sous?

R. Je gagnais quarante-six sous.

Q. Pendant combien de temps? R. Nous avons eu ça un mois avant de partir pour Sherbrooke. Nous avions, à Verdun, 48.95 sous de l'heure, je crois.

Q. Autrefois, à Verdun, est-ce que vous faisiez le même travail, à Verdun? R. A Verdun, ...

Q. Vous travailliez au moulin de la Dominion Textile, à Verdun, avant que le moulin de Verdun soit fermé et qu'il soit transporté à Sherbrooke. R. Oui, monsieur.

Q. Etiez-vous chef d'équipe à Verdun?

R. Non, j'étais réparateur.

Q. Et, vous aviez 49.10 sous? R. 48.95 cents de l'heure.

Q. A verdun, travailliez-vous de nuit, là, aussi?

R. Oui, monsieur.

Q. Combien d'heures par nuit? R. 12 heures.

Q. Vous travailliez à toutes les semaines?

R. Jusqu'à venir en dernier, avant de partir.

Q. Avant de partir? R. A peu près six mois avant.

Q. C'est-à-dire, les derniers six mois, ça été irrégulier, avant cela, c'était régulier? R. C'était régulier.

Q. Faisiez-vous le même genre de travail, à Verdun?

R. Même genre de travail.

Q. Combien de plus de machines entretaniez-vous à Verdun qu'à Sherbrooke? R. Quand, ils ont parti les"Crompton Rose", ça prenait ..... on en avait 24; et puis, quand les machineries ont commencé à prendre de l'usure, on en "runnait 34.

Q. Au lieu de 34? R. Au lieu de 24; c'est pas pire.

Q. Les premières étaient plus dures à Partir?

R. Les premières étaient plus dures à partir.

Q. C'était plus difficile à tenir en ordre?

R. A tenir en ordre.

Q. Aujourd'hui, ces machines sont plus faciles?

R. Les machines sont plus faciles et c'est plus plaisant à l'ouvrage.

Q. Maintenant, vous en tenez 34, vous dites? R. 34.

Q. Cela revient à peu près au même, au même ouvrage?

R. Même qu'au commencement.

Q. Avez-vous de l'ouvrage toutes les nuits, toutes les douze heures; de quelle heure à quelle heure travaillez-vous?

R. De six heures du soir à dix heures et demie du matin; une demie-heure pour manger.

Q. Alors, vous êtes là à l'heure de minuit? R. Oui, monsieur.

Q. Vous prenez une demi-heure pour le lunch?

R. Une demi-heure pour manger.

Q. Avez-vous un aide pour aller manger, ou si vous mangez dans la boutique? R. Nous mangeons dedans.

Q. Avez-vous des tables? R. Nous mangeons assis sur des coffres.

Q. Sur la place? R. Oui, monsieur.

Q. Sur le chantier du travail? R. Oui, monsieur.

Q. Est-ce que les machines marchent pendant cette demi-heure?

R. Elles arr^etent; on arrête tout le pouvoir, tous les métiers.

Q. Est-ce qu'il se fait un nettoyage? R. Personne travaille.

Q. Il ne se fait rien du tout pendant cette demi-heure-là?

R. Une demi-heure pour manger, pour tout le monde.

Q. Et, votre salaire de 48.95 sous.....avez-vous eu une aug-

mentation ou une diminution?

R. Je me rappelle que quand on "runnait" du coton - ça fait sept ans qu'on "runne" de la soie - avant ça, on avait eu une coupe de 10%; 5% nous avait été remis.

Q. C'est en 1932? R. C'est en 1932.

Q. Ce n'est pas il y a six ou sept ans, la coupe de 10%, c'est en 1932 ou 1933? R. On en a eu une, certainement.

Q. En 1932 ou 1933, vous avez eu une coupe de 10%?

R. Une coupe de 10%.

Q. On vous a remis 5%? R. On nous a remis 5%.

Q. Combien payiez-vous de l'heure, avant la coupe de 10%?

R. 48 cents de l'heure.

Q. De là, c'est tombé à 46 cents? R. Je crois.

Q. On vous en a remis une partie? R. Oui.

Q. Et, après avoir tombé à 46 cents, vous ^etes tombé à 44?

R. 45 cents, je crois, sur le coton.

Q. Ensuite, vous avez été rétabli à 46 cents?

R. J'ai été rétabli à 46 cents; on a travaillé sur la soie, à 49 sous.

TRANS QUESTIONNE PAR ME HEWARD:-

Q. M. Lamontagne, êtes-vous payé pour la demi-heure du souper?

R. Non, on n'est pas payé pour la demi-heure du souper.

Q. Vous ^etes bien sûr de cela? R. Je suis bien sur de ça.

Q. La demi-heure du souper, n'est pas comprise dans votre .....

R. Non, c'est 12 heures.

PAR ME BEAUREGARD:-

Q. Quel est le contre-maître dans votre département?

R. M. Harel, de nuit; et M. Lovelez, de jour.

Contrôle en sous-interrogatoire

M. Je ne travaille que quand on "tuncer" du coton - qu'il
sept ans qu'on "tunce" de la soie - avant ça, on rentrait en une
année de 1924; De nous avons été punis.

Q. C'est en 1924? R. C'est en 1924.

Q. Ce n'est pas il y a six ou sept ans, la soupe en 1920, c'
en 1922 ou 1923? R. On en a eu une, certainement

Q. En 1922 ou 1923, vous avez eu une soupe de 1924?

R. Une soupe de 1924.

Q. Où vous a-t-elle 5?? R. On nous a remis ça.

Q. Comment [illegible]-vous de l'heure, avant la soupe de 1924?

R. 45 cents de l'heure.

Q. Et 1924, c'est passé à combien? R. 25 cents.

Q. Où vous en a-t-elle 5?? R. [illegible].

Q. Et, après avoir travaillé à 45 cents, vous vous trouvez à 25?

R. 45 cents, jusqu'à, sur la soupe.

Q. Maintenant, vous avez été réduit à 45 cents?

R. C'est été réduit à 40 cents; on a travaillé sur la soie,
à 40 cents.

Contre-interrogatoire par M. R. L. C.:-

Q. M. Lamontagne, étes-vous marié pour la demi-heure de soupe?

R. Non, on n'est pas marié pour la demi-heure de soupe.

Q. Vous "etes bien sûr de cela?" R. Je suis sûr sur
ça.

Q. Le [illegible], c'est [illegible] ...

R. Non, c'est 12 heures.

Contre-interrogatoire par M. R. [illegible]:-

Q. Quel est le contre-maître sous vous dépendiez?

R. M. Marcel, ou non; ou M. Lavoie, de jour.

BERNARD RIEL, est assermenté:-

PAR ME BRAMBRSAD:

Q. M. Riel, quel est votre âge? R. 25 ans.

Q. Etes-vous marié? R. Non, garçon.

Q. Vous demeurez à Sherbrooke? R. Oui.

Q. Depuis combien de temps travaillez-vous à l'usine de la Dominion Textile? R. Ca va faire deux ans, à Paques.

Q. Vous travaillez dans la partie de le soie? R. Oui.

Q. Avez-vous toujours travaillé dans la soie à la Dominion Textile? R. Oui.

Q. Alors, vous étiez à Verdun, auparavant? R. Oui.

Q. Vous avez commencé à travailler, il y a deux ans, à Verdun, pour la compagnie? R. Oui.

Q. Qu'est-ce que vous avez commencé à faire?

R. J'ai commencé à "weaver", la même chose que je fais aujourd'hui, tisserand.

Q. Vous êtes entré à Verdun, comme tisseur? R. Tisseur.

Q. Depuis ce temps-là, vous êtes tisseur? R. Oui.

Q. Vous aviez appris ailleurs? R. Ah! oui.

Q. Vous aviez appris ..... R. Ca fait cinq ans que je travaille dans ça.

Q. Quand vous avez commencé, à Verdun, combien de moulins aviez-vous; travailliez-vous sur la soie rayon?

R. J'ai toujours travaillé sur la soie rayon, depuis 3 ans.

Q. Alors, vous aviez combien de moulins?

R. A Verdun, quand c'était pas automatique, on en "runnait" 4.

Q. Quelle était la marque de fabrique?

R. Quatre et six, la même chose, les "Crompton Knowles".

Q. Comment marchent-elles ces nouvelles machines?

R. Ca prend moins de monde pour "runner, ça runne beaucoup mieux.

Q. Qu'est-ce qui est automatique? R. C'est un métier qui "runne" seul.

[illegible] oui [illegible]

[illegible]

Q. M. Nisi, quel est votre âge? R. 38 ans.

Q. [illegible] R. Non, [illegible]

Q. Vous demeurez à Abercrombie? R. Oui.

Q. Depuis environ de temps travaillez-vous à l'usine de la [illegible]tion textile? R. Ca va faire deux ans, à [illegible]

Q. Vous travaillez dans la partie de la soie? R. Oui.

Q. Avez-vous toujours travaillé dans la soie à la Dominion Textile? R. Oui.

Q. Alors, vous étiez à Verdun, n'est-ce pas? R. Oui.

Q. Vous avez commencé à travailler, il y a deux ans, à Verdun la compagnie? R. Oui.

Q. Qu'est-ce que vous avez commencé à faire?

R. J'ai commencé à "couver", je n'sais chose que je faisais [illegible]'huit, huitième.

Q. Vous "[illegible]" à Verdun, [illegible]

Q. Depuis ce temps-là, vous êtes disparu? R. Oui.

Q. Vous avez quelque chose?

R. Oui.

Q. Vous avez repris ..... R. Ca fait cinq ans que je [illegible] dans ça.

Q. Quand vous avez commencé, à Verdun, combien de machines avez-vous; travaillez-vous sur la soie rayon?

R. J'ai toujours travaillé sur la soie rayon, depuis 3 ans.

Q. Alors, vous avez combien de machines?

R. A Verdun, quand c'était pas automatique, on en "tuaait" 4.

Q. Maintenant [illegible] le nombre de [illegible]?

R. Quatre et six, la même chose, les "Crompton Knowles".

Q. Comment marchent-elles ces nouvelles machines?

R. Ca [illegible] [illegible] machines.

Q. Qu'est-ce qui est automatique? R. C'est un métier qui

Q. Avant, quand vous étiez à Verdun, quand les métiers n'étaient pas automatiques, c'est vous qui posiez la navette du métier? R. Sur le métier automatique, la navette change seul; sur les métiers non automatiques, on est obligé de la changer.

Q. Avant, vous étiez obligé d'arrêter chaque fois? R. Oui.

Q. Vous mettez un certain nombre de navettes? R. Oui.

Q. Et elles se succèdent de l'une à l'autre, sans intervention? R. Oui, une heure et dix, une heure et vingt.

Q. Maintenant, quand vous aviez un moulin non automatique, vous en aviez combien? R. Quatre et six.

Q. Quatre et six? R. Quatre et six; de temps en temps, nous avons "runné" quatre; de temps en temps, six.

Q. Etiez-vous payé au pick? R. Payé à l'heure, à Verdun.

Q. Combien aviez-vous de l'heure? R. 31 cents et une demie de l'heure.

Q. Est-ce qu'il y a eu des changements dans les salaires pendant que vous étiez à Verdun? R. Non.

Q. Alors, vous êtes parti de Verdun, quand la compagnie a transporté son moulin à Sherbrooke? R. Oui, en septembre.

Q. Septembre, 1935? R. Oui.

Q. Rendu à Sherbrooke, combien avez-vous eu de moulins à opérer? R. Huit.

Q. M^eme sorte que la-bas? R. Non.

Q. Des automatiques cette fois-là? R. Oui.

Q. Combien, en avez-vous, maintenant, de moulins?

R. Huit.

Q. Quelle est la base de votre salaire, comment êtes-vous payé, à l'heure, aux picks? R. On est payé aux picks,

Q. Combien du pick? R. 62 cents du 1,000 picks.

Q. 62 cents du 1,000 picks? R. Oui.

Q. Avant, quand vous étiez à Verdun, quand les taxis n'étaient pas automobiles, c'est vous qui poussiez le manche de matier? R. Sur le moteur automobile, je mettais cirage sous; sur des matières non automobiles, on est obligé de le glisser.

Q. Après, vous étiez chauffeur chemin fer? R. Oui.

Q. Vous étiez chauffeur de camions? R. Oui.

Q. Et alors se souvenant de l'une à l'autre, sans inconvénient? R. Oui, une heure et dix, une heure et vingt.

Q. Maintenant, quand vous avez eu contra non automobiles, vous en avez conduit? R. Quelque et six.

Q. Quelle est cela? R. Quelque et six; et [illegible] un tracteur, mais avons "Massey" quelque; et trouve un tracteur, mais.

Q. Etiez-vous marié en cela? R. Marié à l'heure, à notre [illegible]

Q. Combien avez-vous de l'heure? R. Et cette et une demie de l'heure.

Q. Est-ce qu'il y a eu des changements en plus des matières pendant que vous étiez à Verdun? R. Non.

Q. Alors, vous êtes parti de Verdun, quand le congé [illegible] à Sherbrooke? R. Oui, en septembre.

Q. Septembre, 1919? R. Oui.

Q. Quand à Sherbrooke, combien avez-vous eu de machines à [illegible]? R. Huit.

Q. N'avez-vous pas le-bas? R. Non.

Q. Des automobiles entre trois-là? R. Oui.

Q. [illegible], en [illegible], [illegible]?

R. Huit.

Q. Quelle est la base de vos salaires, comment étes-vous payé, à l'heure, par jour? R. [illegible]

Q. Combien du jour? R. Et vente et 1,000 jours.

Q. Et vente et 1,000 jours? R. Oui.

Q. Vous travaillez combien d'heures, maintenant?

R. Dix heures par jour, trois jours par semaines.

Q. Travaillez-vous de jour ou de nuit? R. De jour.

Q. Est-ce dix heures de travail ou 10 heures de présence à la boutique? R. Dix heures de travail.

Q. Quand vous êtes à l'usine, et que vous travaillez, il n'y a pas d'arrêt? R. Il n'y a pas d'arrêt, on ne travaille pas trop fort.

Q. Vous commencez à quelle heure, le matin, sept heures?

R. De sept heures à six heures; une heure pour diner.

Q. Alors, il vous reste une heure pour diner?

R. Il nous reste une ehure pour diner.

Q. Est-ce que les machines arrêtent pendant l'heure du diner?

R. Pendant l'heure du midi, oui.

Q. Vous avez, maintenant, huit machines? R. Oui.

Q. Combien d'argent faites-vous par jour?

R. Trois piastres et une demie, et trois-quarts.

Q. Votre paye ordinaire, qu'est-ce que c'est?

R. De ce temps-là, elle n'est pas beaucoup: $21.50 pour six jours, parce qu'on travaille, à ce moment, dix jours par quinze jours.

Q. Votre salaire ordinaire est de $21.50 par six jours parce que vous travaillez six jours par semaine? R. Oui.

Q. Depuis combien de temps, le moulin fonctionne-t-il au ralenti? R. Au ralenti, depuis six mois.

Q. Vous vous êtes arrêté pendant quelque temps?

R. Trois semaines, à partir du six janvier.

Q. Totalement arrêté? R. Oui, on a arrêté du Jour de l'An aux Rois, et du 7 janvier au 29.

Q. Est-ce que vous dinez en dehors ou à la boutique?

R. Je dines en dehors.

Q. Vous ne vaquez combien à l'heure, exactement?

A. [illegible]

Q. Travaillez-vous de jour ou de nuit? R. Le jour.

Q. Est-ce six heures de travail ou 12 heures de présence à la boutique? R. Six heures de travail.

Q. Quand vous êtes à l'usine, et que vous travaillez, il n'y a pas d'arrêt? R. Il n'y a pas d'arrêt, on ne [illegible].

Q. Vous commencez à quelle heure, le matin, soit lundi? R. Le soir lorsque à six heures; mardi pareil.

Q. Mardi, il vous reste une heure sur midi?

R. [illegible]

Q. [illegible]

Q. Comment l'heure de midi, oui.

Q. [illegible] R. Oui.

Q. Combien d'argent fait-on par jour?

R. Trois cents ou 3 sous la heure, et trois-quarts.

Q. Votre nouvelle ordonnance, qu'est-ce que c'est?

R. Le 22 [illegible], elle n'est pas [illegible]. Mais au lieu des jours, parce qu'on travaille, à ce moment, dix jours par quinzaine.

Q. Votre salaire ordinaire est de $1.50 par six jours [illegible]? R. Oui.

Q. Depuis quelque de temps, le moulin fonctionne-t-il en plein? R. Au relenti, depuis six mois.

Q. [illegible]

Q. [illegible]

Q. Définitivement arrêté? R. Oui, on a arrêté du jour de l'an aux deux, et du 7 janvier au 20.

Q. Est-ce que vous alliez en tabors ou à la boutique?

R. Je fait ce en tabors.

Q. Est-ce qu'il y a des tisseurs qui ont plus de huit moulins à conduire? R. Non, dans notre partie à nous autres, non.

Q. Pas dans votre département? R. Non, pas dans notre département. Il y en a qui en "runnent" plus; c'est pas sur ces machines-là.

Q. Ce n'est pas le meme genre de machines?

R. C'est pas le même genre de machines; elles sont plus faciles à runner, seulement une navette; nous autres, on "runne" deux.

Maintenant, je voudrais dire ceci: on a 3 cents de moins du 100,000 picks qu'à Montréal.

Q. A Verdun, vous aviez ....., vous étiez payé à l'heure?

R. 65 cents du 100,000 picks, avant que nous partions pour Sherbrooke.

Q. Vous étiez, déjà, rendus sur les machines automatiques, à Verdun? R. Oui, ils ont "runné" un mois ou deux avant de partir.

Q. A Verdun, vous aviez 65 cents du 100,000 picks? R. Oui.

Q. A Sherbrooke, vous faites le même ouvrage, le même nombre de picks et vous gagnez 82 cents du 100,000 picks?

R. Oui, ils ont abaissé le "speed" du métier; ils allaient à 140,000 picks à l'heure, maintenant, 135, 000 picks.

Q. C'est-à-dire, vous faites moins d'argent? R. Oui.

Q. Le ~~service~~ tissu se fait moins vite? R. Oui.

Q. Comme vous êtes payé au tissu, c'est-à-dire aux 100,000 picks, vous avez moins de picks par jour? R. Oui.

Q. Le rendement, par semaine, est moindre?

R. Ca nous ôte pas une affaire effrayante, ça nous ôte un peu.

Q. Quand vous êtes arrivé à Sherbrooke, vous avez eu 82 cents au lieu de 65 cents? R. Oui.

Q. Avez-vous subi une diminution? R. Non.

Q. Lorsque qu'il y a des étudiants qui sont plus à gauche, ils semblent à conduire?

R. Non, mais nous avons certains à leur droite.

Q. Que dans ce qui nous concerne?

R. Non, nous avons certains à gauche. Il y en a qui se "identifient" plus, d'une manière idéologique.

Q. Je n'ai pas la même lecture de conférence.

R. Quand on se rend compte de ses limites, tout dépend du point de vue à inclure, évidemment que certains, vous diriez, ou "radicaux" aussi.

Maintenant, je voudrais être sûr: ce n'est pas en raison de notre lecture que j'ai conservé.

Q. A Vancouver, vous avez ..... vous étiez pour à l'heure.

R. Ce sont les 100,000 dollars, c'est que nous pouvions pas [illegible].

Q. Vous étiez prêtant pour les personnes [illegible] à Vancouver?

R. Oui, ils ont "trouvé" ou mais ce deux avant de partir.

Q. A Vancouver, vous avez 65 sacs de 100,000 pièces? R. Oui.

Q. A Montréal, nous faisons le même chemin, le même nombre de lieux de [illegible] en [illegible] pièces.

R. Oui, ils ont amélioré le "moral" de [illegible]; ils utilisent à [illegible]

Q. [illegible] vous [illegible] à l'heure.

R. Le nombre de fois moins vingt? R. Oui.

Q. Nous avons fait [illegible], vingt-cinq, vous avez moins de plus que jusqu'? R. Oui.

Q. Le [illegible] est [illegible]

R. Ce nous dire que une activité différente, ce nous dire que [illegible]

Q. Quand vous [illegible] à Vancouver, vous avez [illegible] le lieu de [illegible]? R. Oui.

Q. Avez-vous [illegible] R. Non.

Q. Vous n'avez pas eu d'autre diminution de salaire que cela?

R. Non.

Q. Le mécanicien a enrégistré la baisse de la machine?

R. Oui.

Q. Vous dites que la machine a baissé de 140,000 à 130,000 picks? R. Oui, ils ont baissé de 3 sous.

Q. Du 100,000 picks? R. Oui.

Q. Vous avez des ouvriers qui enrégistrent les pickx?

R. Oui, on est payé "straight".

Q. Sur les machines, est-ce qu'il y a des indications de prix? R. Non.

Q. Les machines enrégistrent le nombre de picks? R. Oui.

Q. Quand on vous fait faire un ouvrage, est-ce que c'est toujours le même prix? R. Oui, le même pric. C'est toujours le même tissu; ça fait un an qu'on "runne", c'est la même chose.

Q. Depuis un an, vous ne faites qu'un seul tissu; il n'y a pas de changement dans le dissu? R. Oui.

(Page 1680 follows)

Avez-vous pu en d'autre distribution de quelque sorte

100.

Le demandeur a communiqué le nombre de la première

[illegible].

Vous disiez que ce nombre ; bondit de 140,000 à 150,000 environ?

R. Oui, ils ont bondi de 2 ou 3.

Ou 150,000 environ?

R. Oui.

Vous avez des environs qui avoisinent les plaines?

R. Oui, on ont pris "Calgary".

Sur les cartes, entre qu'il y a des [illegible] en ville?

R. Non.

La station centrale [illegible] le nombre de [illegible]

R.

Quand on veut [illegible] en ville, [illegible] de [illegible] [illegible] [illegible]

R. Oui, le même nom.

C'est employé le n° de [illegible]. Il [illegible] "[illegible]" [illegible] [illegible].

Angelle [illegible], [illegible] ou [illegible] [illegible] il n'y a de [illegible] dans le [illegible]?

R. Oui.

[Page 1894 [illegible]]

MADAME ROSE PROVENCHER.

Lequel témoin est assermenté:

Interrogé par Mtre BEAUREGARD:

Q Madame Provencher vous habitez Sherbrooke?

R Oui monsieur.

Q Depuis combien de temps travaillez vous à la filature de Sherbrooke, la Dominion Textile?

R Depuis le 29 novembre.

Q 1935? R 1936.

Q Vous n'avez jamais travaillé à Verdun?

R Non,monsieur.

Q Vous étiez de Sherbrooke à ce temps là? R Oui.

Q Quel est l'ouvrage que vous faites madame?

R Je travaille sur les spoolers.

Q Vous faites des bobines? R On fait des spools, des gros spools.

Q De quelle grosseur sont les spools que vous faites? R Je ne peux pas dire la grosseur exactement.

Q Il y a un encrier devant vous, est-ce plus gros que l'encrier? R A peu près.

Q Deux pouces et demi à trois pouces de diamètre?

R A peu près.

Q C'est avec des machines que vous faites ces spools là? R On attache avec la machine.

Q Comment s'appelle la machine sur laquelle vous travaillez? R Je ne peux pas dire le nom de la machine, je sais qu'on la porte dans notre main et qu'on attache les brins avec.

Q C'est un petit instrument que vous tenez dans la main et qui vous permet d'attacher les brins?

R Oui,monsieur.

Q La machine sur laquelle vous travaillez est longue comme cette table-ci? R Plus longue que ça.

Q Avez-vous plus qu'un établi comme ça? R Quand on peut runner plus qu'une on en runne plus qu'une, on a eu jusqu'à sept, actuellement on en a soixante-quinze.

Q Combien êtes-vous payé là dessus, à la pesanteur, au nombre de spools? R A la pesanteur de la planche.

Q C'est payé à tant de la planche de soie? R Oui.

Q Autrement dit on emporte la soie- quand vous dites par planche, ça doit être pas boite? R Des planches, quand les bobines sont pleines on les met sur la planche.

Q Et la soie est pesée?- R Oui, monsieur.

Q Assistez-vous au pesage? R J'ai cru la voir une fois, je ne suis pas sure, mais ils m'ont dit que ça pesait 1½ livres, mais je l'ai pas vu.

Q Votre information c'est que vous êtes payé d'après la pesanteur de soie sur la planche? R Oui.

Q Produisez-vous plusieurs planches de soie par jour? R Ca dépend de la grosseur des bobines, quand une bobine est plus remplie, il y a plus d'ouvrage, quand la bobine est plus grosse, ça prend plus de temps pour la remplir, pour remplir le spool, on en fait moins.

Q Vous travaillez sur la soie artificielle? R Oui.

Q Depuis novembre? - R Oui, monsieur.

Q Vous avez pas changé d'ouvrage? R Quand j'ai entré j'ai rentré sur les twisters.

Q Vous avez pas été longtemps là? R Non.

Q Vous avez pas été longtemps là? R Non.

Q Depuis combien de temps êtes-vous sur les bobines?

R J'ai commencé une semaine et demi après que j'ai eu rentré.

Q Combien retirez-vous par semaine? R La dernière paye que j'ai retiré c'est $5.00 pour quatre jours d'ouvrage.

Q A quel temps madame la dernière paye? R Hier.

Q C'est bien frais à votre esprit? R Oui.

Q Vous avez encore ça frais à la mémoire? R Oui.

Q Les journées, de quelle longueur sont-elles, combien travaillez vous d'heures par jour?

R On commence à sept heures le matin et on fini à six heures du soir.

Q Ca fait onze heures? R Oui, on a une heure le midi.

Q Allez-vous dîner chez vous? R Oui.

Q Vous avez fait deux jours par semaine? R Oui.

Q Vous avez travaillé 10 heures par jour? R Oui.

Q Ca vous faisait quarante heures pour $5.00?

R Oui monsieur.

Q Quel âge avez-vous madame? R 39 ans.

Q Est-ce que la soie dans ces deux semaines là était de plus mauvaise qualité que les autres semaines?

R non, mais suivant moi il doit y avoir une erreur.

Q Dans la pesée? R C'est peut être dans la pesée ou ailleurs.

Q Ou dans le calcul de votre paye? R Oui.

Q Vous avez été surprise que votre paye soit si petite? R Oui.

Q Vous avez pas trouvé que c'était une grosse paye? R Non, pour le travail que j'avais fait.

Q Ca vous faisait un peu plus que $1.00 par jour?

R $1.25 l'assurance payée.

Q Quant à la qualité de la soie c'était le même ouvrage que de coutume? R Oui.

Q Vous vous étiez pas malade? R J'ai travaillé pareil.

Q Les dix heures de temps? R Oui, monsieur.

Q Sans arrêt? R.- Sans arrêt, c'est à dire que....

Q Pendant l'heure du diner vous travailliez pas? R Non.

Q Mais durant les heures vous n'avez pas perdu de temps? R Non.

Q Vous avez pas été retardé pour rien? R Non.

Q Vous avez travaillé tout le temps? R Dans ces quatre jours là on a travaillé tout le temps.

Q Quel est votre contremaitre? R M.Laliberté.

Q Y en a-t-il deux? R Il y en a trois.

Q Quels sont les autres? Monsieur Howard, et la troisième c'était Monsieur Clément.

Q Qui est-ce qui tenait le temps des ouvrieres? R Monsieur Clément.

Q Qui pèse la soie? R Monsieur Clément.

Q Encore M.Clément? R Oui, monsieur.

Q Est-ce qu'il y a longtemps que vous travaillez rien que deux jours par semaine comme ça?

R On a commencé à trois jours en janvier, quand on a arrêté, et après ça depuis deux semaines on travaille que deux jours.

Q Est-ce qu'il y a d'autres ouvrières qui travaillent plus de jours que vous? R Oui, monsieur.

Q Sur le même ouvrage? R Oui, monsieur.

Q ‡

maines de plus de deux jours, vous? R Oui, des semaines de trois jours, mais j'ai pas fait de semaines complètes encore.

Q Vous n'avez pas fait de semaines complètes? R Non.

Q Lui avez-vous dit à Monsieur Clément? R Oui.

Q Vous vous êtes plainte de ça? R Bien des fois.

Q Que vous ne travailliez pas aussi longtemps que les autres? R Oui, monsieur.

Q Vous étiez disposée à travailler plus longtemps?
R Oui, monsieur.

Q Qu'est-ce qu'il a dit? R Il a dit qu'il avait pas d'ouvrage pour moi.

Q Avant le 1er de l'an, faisiez vous des semaines complètes? R Oui, j'ai fait une semaine ou deux complètes.

Q A compter de novembre? R Oui, monsieur.

Q Vous avez fait une semaine ou deux complètes?
R Oui, monsieur.

Q Combien avez- vous gagné quand vous avez fait des semaines complètes? R On était à la journée et j'ai retiré $19.00, $9.00 par semaine sur les twisters.

Q Vous avez fait $8.50 à $9.00 par semaine?
R Oui, monsieur.

Q C'est à dire $9.50 par semaine? R Oui.

Q Combien de semaines avez-vous fait comme ça à $9.50? R Deux semaines de temps.

Q Vous êtes tombée sur les spoolers? R Oui, monsieur.

Q Ça payait moins? R Ça paierait s'ils donnaient de l'ouvrage en masse.

Q Vous voudriez travailler tous les jours?
R Oui, tant qu'on pourrait, et tant qu'on voudrait.

maison de plus de deux jours, vous? - R. Oui, tous
quelques de trois jours, mais j'en ai eu deux à
quelques reprises.

Q. Vous n'avez pas fait de remarques
[illegible]
Q. Les avez-vous dit à quelqu'un d'autre? R. Oui.
Q. Vous vous êtes plaints de, qu' il n'avait pas
Q. Les vous de travailler pas assez longtemps
les [illegible]? R. Oui, monsieur.
Q. Vous étiez obligés à travailler plus longtemps
R. Oui, monsieur.
Q. [illegible]
[illegible]
Q. [illegible] Les deux ou trois
[illegible]
R. Oui, monsieur.
Q. [illegible]
[illegible]
Q. Vous avez fait une remarque à deux [illegible]
R. Oui, monsieur.
Q. [illegible]
[illegible]
Q. Vous avez dit 20.00 à 25.00 par semaine?
R. Oui, monsieur.
Q. Et à dire 20.00 par semaine? R. Oui.
Q. Vous en avez deux-trois fois [illegible]
[illegible]
Q. [illegible]
[illegible]
Q. Vous [illegible] [illegible]
[illegible]
Q. Vous [illegible] [illegible]
R. Oui, tous [illegible] [illegible]

Q C'est pas le courage qui vous manque? R Non.

PAR MTRE AIME GEOFFRION.

Q Vous avez commencé en novembre n'est-ce pas?

R Oui.

Q Vous étiez recommandée, vous avez été recommandée à la compagnie? R Oui, monsieur.

Q Où travailliez-vous avant? R Partout, où on pouvait avoir de l'ouvrage, on faisait les ménages et tout ce qu'on pouvait trouver.

Q Est-ce la première fois que vous travailliez dans la soie? R Oui.

Q Ce $5.09 dont vous avez parlé là, c'est moins que de coutume, ça vous a surpris? R Oui, j'ai pensé qu'il y avait une erreur, ou que M.Clément les avait mal marqués.

Q Parce que la quinzaine précédente vous aviez eu pour 55 heures? R $11.80.

Q Ca vous a paru que ça avait plus de bon sens? R Oui, ça avait du bon sens.

Q Vous dites que votre mari travaille? R Oui.

Q Vos enfants? R Non.

Q Celui de 19 ans ne travaille pas? R Non, monsieur, il ne peut pas avoir d'ouvrage.

Q Il en cherche et il en trouve pas? R Oui.

MTRE BEAUREGARD:

Q Est-ce qu'il y a plusieurs personnes qui vous ont recommandée pour avoir un emploi là? R Oui.

Q Et à la fin vous avez réussi à avoir cet emploi? R Oui, monsieur.

ET LE DIT TEMOIN NE DIT RIEN DE PLUS.

Q. Est-ce que la Couronne qui vous nomme? R. Oui.

THE WITNESS CONTINUED:

Q. Vous avez connaissance, en remontant n'importe quel

R. Non.

Q. Pour ainsi commencer, vous avez un [illegible]

que à la compagnie? R. Oui, monsieur.

Q. Le Gouvernement [illegible] A. Certainement.

Q. Parlant avant de l'entrevue, en faisant vos [illegible]

et avant de qu'on commence [illegible]

Q. Est-ce la première fois que vous travaillez

dans la salle? R. Oui.

Q. Je [illegible] vous avez parlé là, c'est [illegible]

[illegible] en [illegible], je vous a [illegible] R. Oui, j'ai

[illegible] qu'il y avait une [illegible], en plus [illegible]

les avait [illegible].

Q. Parce que la [illegible] [illegible] vous avez [illegible]

[illegible] A. [illegible].

Q. Et vous a pris [illegible] vous [illegible] plus le bon mot?

R. Oui, je avais [illegible] bon [illegible].

Q. Pour [illegible] que vous avez [illegible]? R. Oui.

Q. [illegible] R. Non.

Q. Voici de 10 [illegible] de [illegible] [illegible] R. Non.

[illegible], il ne [illegible] pas [illegible] [illegible].

Q. Il est [illegible] [illegible] R. Oui.

[illegible]

Q. Est-ce qu'il y a plusieurs [illegible] [illegible] vous

[illegible] [illegible] R. Oui.

Q. Et à la [illegible] vous avez [illegible] à [illegible] [illegible]

R. Oui, [illegible].

Q. [illegible] [illegible] [illegible] [illegible].

MADAME GERMAINE DESIEL.

LE DIT témoin est assermenté: MTRE BEAUREGARD.

Q Madame Desiel quel est votre nom de fille?

R Germaine Mace.

Q Depuis combien de temps travaillez-vous à la filature de soie Dominion Textile à Sherbrooke?

R Depuis le 12 février 1936.

Q Quel est votre ouvrage Madame? R Doffouse sur les twisters.

Q Vous avez combien de structures , combien de métiers à entretenir comme ça? R Tous ceux qui runnent.

Q Vous êtes plusieurs à faire ça? R Trois.

Q Vous travaillez combien de jours par semaine?

R Deux, trois jours, quelquefois seulement qu'une journée.

Q Je suppose que c'est depuis le mois de février?

R Oui, monsieur.

Q Vous êtes mariée, votre mari travaille-t-il?

R Il est invalide.

Q Est-ce qu'il garde la maison, la chambre? R Non, il reste avec sa mère.

Q Avez-vous des enfants? R Oui, monsieur.

Q De quel âge? R 11 ans, 8 ans.

Q Depuis février vous avez pas travaillé plus que trois jours par semaine? R Non, la semaine dernières j'ai travaillé quatre jours.

Q Des fois deux jours? R Oui.

Q Des fois une journée? R Oui, une demie journée aussi.

Q Par semaine? R Oui, dans une semaine.

Q Quelle espèce de salaire avez-vous retiré?

R $1.70 par jour.

Q C'est votre salaire ça? R Oui.

Q Etes-vous à la journée? R Oui.

Q $1.70 par jour? R Oui.

Q Combien d'heures? R 10 heures d'ouvrage.

Q Allez-vous diner toujours chez vous? R-Oui, on a une heure pour diner.

Q Vous entrez à sept heures, vous arrêtez à midi, et de une heure à six heures? R Oui, monsieur.

Q Et vous êtes à 17 cts de l'heure? R Oui, monsieur.

Q Vous avez retiré des payes de $1.70? R Oui, une journée, ma dernière paye, j'ai retiré $5.95 pour 3½ jours, dans deux semaines.

Q Ca représentait deux semaines? R Oui, monsieur.

Q Avez-vous travaillé dans les filatures avant février? R Oui, un mois à St.Jérome en 1929.

Q Vous avez travaillé là? R Oui, monsieur.

Q Combien avez-vous été de temps là? R Un mois seulement.

Q Vous aviez pas travaillé depuis ce temps là, quand vous êtes entré à la Dominion Textile? R Non.

Q En quoi consiste votre ouvrage de doffeuse?

R Enlever les bobines pleines et les remplacer par des vides.

Q Et nettoyer? R Quelquefois.

Q Qu'est-ce que vous avez à nettoyer? R Enlever le fil sur les bobines.

Q Vous enlevez les bobines pleines et en posez des vides? R Oui, depuis une semaine.

Q Vous étiez combien avant ça? R Deux.

Q La journée que vous travailles, avez-vous de l'ouvrage pour la peine? R Oui, toute la journée.

Q Quand il y a de l'ouvrage il y en a tant qu'on veut? R Oui, monsieur.

5

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Q Ensuite ça arrête carré R Oui.

Q Quand on vout dit de vous en aller c'est pour trois ou quatre jours? R Oui, jusqu'à lundi.

Q On vous le dit? R Oui.

Q On vous le dit le mardi ou le mercredi soir? R Oui, monsieur.

Q Qui vous dit ça? R Monsieur Clément, il ne-travaille plus, il a été renvoyé, il a été clairé.

Q Qui est le contremaitre maintenant? R M.Gignac.

Q M.Clément n'est plus là? R Non, il a été clairé.

Q Vous n'avez jamais fait d'autre travail que l'ouvrage que vous faites? R Oui, j'ai soin des twisters des fois le midi.

Q Vous allez pas dîner? R Oui, je pars à onze heures et demi, et je reviens à midi et demi.

Q Pendant que les autres vont dîner, quelquefois vous faites l'ouvrage des autres? R Oui.

Q Les moulins n'arrêtent pas le midi? R Non.

Q C'est comme ça que l'on procède pour garder les moulins en mouvements, les ouvriers sont transposés d'un travail à l'autre? R Oui.

Q Quand vous changez d'ouvrage vous avez le même salaire? R Oui, monsieur.

PAR MTRE GEOFFRION:

Q Il y a pas moyen d'arrêter les machines.

Q Quand on arrête le twisting, est-ce que ça ne gâte pas le fil. R Non monsieur, quand on sait les arrêter ça le gâte pas.

ET LE DIT TEMOIN NE DIT RIEN DE PLUS.

MADEMOISELLE MARIE FORTIER.

Lequel témoin est assermenté:

Interrogé par MTRE BEAUREGARD:

Q Mademoiselle Fortier, vous travaillez à Sherbrooke?

R Oui.

Q A la filature de soie Dominion Textile? R Je travaille dans la cloth room.

Q C'est dans la soie? R Oui.

Q Cloth room ça veut dire que le tissu est fini là?

R Oui.

Q Qu'est-ce que vous faites là, votre travail?

R C'était d'inspecter.

Q Est-ce que vous ne travaillez plus actuellement?

R Non.

Q Depuis quand ne travailliez-vous plus? R Je ne travaille plus depuis le 17 janvier.

Q Je comprends que dans le mois de janvier l'usine a arrêté? R Oui.

Q On été fermé? R Oui.

Q Vous avez pas été engagée mademoiselle? R Non.

Q Savez-vous pourquoi? R Non, c'est à cause qu'il a dit qu'il avait pas d'ouvrage pour moi.

Q Qui vous a dit ça mademoiselle? R M.Archambault.

Q Votre contremaitre? R Oui.

Q Comment s'appelent les contremaitres dans votre département? R Je ne sais pas leurs noms.

Q Depuis combien de temps travailliez-vous?

R Depuis le 14 novembre au 17 janvier.

Q Etes-vous de Sherbrooke? R Oui.

Q Vous avez commencé à travailler le 14 novembre?

R Oui.

Q Aviez-vous travaillé dans les filatures dans le coton ou la soie?

R Oui,aux Etats Unis.

Q Combien d'années? R Huit mois.

Q A quel ouvrage? R La même chose.

Q Vous faisiez quoi,vous examiniez le coton? R Oui.

Q Vous étiez à l'Inspection? R Oui.

Q Est-ce ça? R Oui.

Q Vous faites passer l'étoffe sur une espèce de pupitre éclairé? R Oui.

Q C'est ça que vous faisiez? R Oui.

Q Pour trouvez les défauts de l'étoffe? R Oui.

Q Vous enlevez des petits fils et marquer les défauts,c'est ce que vous faites? R Oui.

Q Vous avez travaillé de novembre à janvier? R Oui.

Q Combien étiez-vous payé de l'heure, ou à la journée? R J'ai jamais remarqué, j'avais $25.00 pour 15 jours.

Q Ca veut dire 15 jours d'ouvrage? R-Oui, onze jours.

Q Et ça vous donnait $25.00? R Oui,monsieur.

Q A plein temps? R Oui.

Q C'est ce que ça veut dire? R Oui.

Q Aux Etats Unis combien retiriez-vous pour le même temps? R $15.00 la même chose.

Q Le même travail? R $15.00 par semaine.

Q Pas pour 15 jours? R Non.

Q $15.00 par semaine? R Oui.

Q Toi vous avez eu $25.00 pour 2 semaines? R Oui.

Q A quel endroit aux Etats Unis? R Sancook.N.H.

Q C'est de la soie rayon aussi,le même genre de travail? R Oui.

Q Travailliez-vous le même nombre d'heures par jour? R Oui,monsieur.

Q Maintenant, avez-vous travaillé 10 heures par jour jusqu'à la fin, portant de novembre àu mois de jan-

vier,au moment où vous avez cessé? R Non,les deux dernières semaines, j'ai travaillé que quarante-huit heures par semaine.

Q Combien retiriez-vous quand vous avez travaillé que huit heures par jour? R $22.00 pour mes deux semaines.

Q Des semaines de quarante-huit heures? R Oui.

Q Aux Etats Unis à l'usine,travailliez-vous le samedi après midi? R Non,rien que l'avant midi.

Q Combien y avait-il d'employées qui faisaient le même travail que vous,l'examen des étoffes?

R Ici à Sherbrooke, on était 22 filles.

Q Savez-vous combien n'ont pas été reprises?

R Il y en a eu que dix qui ont rentrées.

Q Sur 22, 10 sont retournées au travail? R Oui.

Q Vous n'avez pas eu de la chance, d'être parmi ces dix là? R Non.

ET LE DIT TEMOIN NE DIT RIEN DE PLUS.

-oo-o-o-o-o-o-o-o-o-o-o-o-

Mademoiselle DIANE McCLURE.

LEQUEL témoin est assermenté.

Interrogé par Mtre BERNHARD:

Q Mademoiselle McClure, vous travaillez à la filature de soie Dominion Textile à Sherbrooke?

R Oui,monsieur.

Q Vous avez de l'emploi actuellement? R Oui.

Q Quel est votre ouvrage mademoiselle? R Sur les twisters.

Q Depuis combien de temps faites-vous ce travail là? R Depuis le 9 décembre 1935.

Q Aviez-vous déjà travaillé dans les filatures

avant ce temps là? R Non.

Q Ni à Shawinigan ni ailleurs? R Non.

Q Est-ce un métier long à apprendre? R Non, ça m'a pris deux jours pour l'apprendre.

Q Après deux jours, vous étiez au courant? R Oui.

Q Quel est le salaire, comment est-on payé?

R A la semaine.

Q Combien par semaine? R A peu près $9.30.

Q C'est pas fix? R J'ai toutes mes enveloppes si vous voulez les voir?

R Oui, montrez moi vos enveloppes, j'aimerais à les voir. - Vous avez pas laissé d'argent dedans. Vous avez avec vous un certain nombre d'enveloppes, et vous dites que ce sont vos enveloppes de paye?

R Oui, monsieur.

Q Sur ces enveloppes de payes qui sont au nombre de huit, couvrant la période...dont la première est du 21 décembre 1935, au chiffre de $17.85 pour une quinzaine n'est-ce pas? R Oui.

Q La seconde, 4 janvier 1936, $7.15 pour une quinzaine; c'est toujours pour une quinzaine?

R Je peux pas dire au juste.

Q Vous êtes payée toutes les quinzaines? R Oui.

Q Des fois vous travaillez moins de jours? R Oui.

Q La 3ième quinzaine, $15.30 paye du 18 janvier, ça c'est la paye qui a eu lieu avant la fermeture?

R Oui, monsieur.

Q La suivante du 15 février 1936, $11.10, la suivante 29 février 1936, $18.60, la suivante 14 mars 1936, $12.20, 14 mars 1936 $12.20, enfin 28 mars 1936, $10.85, et une autre dont la date est partie et qui semit de $5.10? R Oui, monsieur.

Q C'est bien votre enveloppe, celle là aussi?

R Oui.

Q Est-ce qu'ordinairement, sur les enveloppes, vous n'avez pas votre nom, votre adresse, le nombre d'heures que vous avez travaillé et le taux de votre travail? R C'est pas dessus, vous voyez, c'est tout ce qu'il y a dessus.

Q J'étais sous l'impression qu'en vertu de l'ordonnance sous les salaires minimum, en force depuis le 5 août 1935, que le patron était obligé d'indiquer sur l'enveloppe les détails que je viens de mentionner. Vous êtes pas au courant de ça? R Non.

Q Votre patron non plus. R ....

Q Voulez-vous produire ces huit enveloppes en liasse comme exhibit 134? R Oui.

EXHIBIT 134. 8 Enveloppes de payes en liasse.

Q Je vois que vous avez une enveloppe de $6.10 Ce n'est pas pour une semaine complète? R Non, c'est pour quatre jours.

PAR MTRE GEORGRION: Nous avons les détails.

Mtre BEAUREGARD: Ils devraient être sur l'enveloppe, en vertu de l'ordonnance.

Mtre GEORGRION: Ils l'ont repris l'ordonnance, il nous aurait fallu un personnel formidable pour faire ça.

MTRE BEAUREGARD:

Q Combien de jours travaillez-vous par semaine depuis janvier?

R Des fois je travaille 5½ jours, 4 jours, 3 jours, c'est pas arrivé souvent trois jour, ça dépend quand on a pas beaucoup d'ouvrage.

Q Vos payes sont ordinairement de $13.00 à $14.00 par semaines? R Des fois on travaille 5 jours.

Q Vous gagnez combien? R $9.30 par semaine.

Q.4 Est-ce cinquante-cinq heures ou 60 heures, c'est pour dix heures par jour? R Oui.

5 Est-ce qu', incidemment, sur les ondes, on
n'avait pas votre nom, votre surnom, le nom
d'homme que vous avez utilisé et le nom de scène
[illegible] ? Je [illegible], vous savez, [illegible]
[illegible] [illegible] [illegible].

10 R. D'abord, en ce qui concerne votre nom de l'homme-
orchestre sous les ondes nationales, on trouve de nos
jours 3 noms [illegible], que le patron trouve utile d'employer
sur l'antenne. Les noms sont que je viens de mentionner
tout. Vous avez pas du surnom ce qui [illegible] R. Non.

15 Q. Vous avez non plus [illegible]. R. ....

Q. [illegible] R. Oui.

Q. Je vais me vous avez une ordonnance de [illegible]
[illegible] [illegible] [illegible] R. Non.
d'avoir votre carte [illegible].

20 Le Juge Monkman: Nous avons les [illegible].

Me Donald Scott: Il [illegible] dans [illegible]
en vertu de l'ordonnance.

Me Donald Scott: Je n'ai rien d'autre à ajouter. Il
[illegible] [illegible] [illegible] [illegible] [illegible]
[illegible] [illegible] :

25 Q. [illegible] [illegible] [illegible] [illegible]
[illegible] [illegible] [illegible] [illegible] [illegible]
[illegible] [illegible] [illegible] [illegible] [illegible]
[illegible] [illegible] [illegible] [illegible] [illegible]
[illegible] [illegible] [illegible] [illegible] [illegible]
[illegible] [illegible] [illegible] [illegible] [illegible]

30 Q. [illegible] [illegible] [illegible] [illegible]
[illegible] [illegible] [illegible] [illegible] [illegible]
[illegible] [illegible] [illegible] [illegible] [illegible]
[illegible] [illegible] [illegible] [illegible] [illegible]

Q Travaillez-vous le samedi après midi plein temps?
R Non,monsieur.
Q C'est 55 heures pour $9.30? R Oui,monsieur.
Q Avez-vous fait d'autre travail que celui que vous faites là à l'usine? R Deux semaines j'étais doffeuse, à part de ça j'ai tojours eu le même travail.
Q Aviez-vous le même salaire que vous aviez là?
R Oui.

PAR MTRE GEOFFRION.

Q Il y a des semaines où vous paraissez avoir eu comme gage $9.35 par semaine, quand vous aviez travaillé vos cinquante-cinq heures? R C'est supposé.
Q D'autres semaines je ne sais pas pourquoi ou pour quelle besogne,vous paraissez avoir eu $12.60 55 heures, est-ce qu'il y a des semaines que vous étiez payée plus chère que d'autres? R Toujours le même salaire,ça dépendait qu'on travaillait plus de temps.
Q N'avez-vous pas fait du travail, du tending?
R J'ai travaillé sur les twisters,c'est mon ouvrage, et deux semaines chez été doffeuse.
Q Vous étiez pas payée au même salaire doffeuse?
R Je pense que j'étais à la semaine.
Q Quand vous dites que vous travaillez sur les twisters,vous aidiez les twisters, vous faisiez du tending? R On appelle ça de même.
Q Vous étiez pas payé un salaire différend que quand vous faisiez du doffing? R Je sais à la semaine, peu importe que l'ouvrage change, j'ai le même salaire.
Q Vous avez été recommandée par le chef de police

on décembre vous? R Oui.

Q Vous étiez sous le secours direct? R Non, je travaillais dans les maisons privées.

Q Le chef vous a recommandée? R Non, c'est M. Lacharité.

Q Qui est-ce Monsieur Lacharité, il n'est pas le chef de police? R Il travaille à la station de police.

Par M.Le Commissaire: Est-ce tout?

Par Mtre BEAUDRIAND: Ceci complète la preuve disponible quant aux ouvriers de la section soie dans l'usine de la Dominion Textile.

Par Mle COMMISSAIRE: La soie artificielle?

Me. BEAUDRIAND: Oui, j'avais espéré avoir ce matin un monsieur Sévigny, dont a parlé le témoin Mantha. Sévigny serait celui qui aurait commencé d'organiser les ouvriers de la filature dans la section des Syndicats Catholiques. Le rapport de l'huissier que j'ai ici est à l'effet que M.Sévigny aurait laissé son domicile à Ill Galt, Il est parait-il à Sherbrooke, mais on a pas pu le trouver.

Par M le COMMISSAIRE: Il a pas été notifié, et c'est le seul témoin qui vous manque.

Me.BEAUDRIAND: Oui, quand à cette partie de la preuve.

Par M.le COMMISSAIRE: Vous essaierez de l'avoir plus tard.

Me. BEAUDRIAND: Oui, avant que nous terminions avec cette affaire-ci.

(page 1700 follows)

en du combre vou ot R Oui.

Vous étiez donc le seul R Non, je travaillais sous les ordres d'un maître d'œuvre.

Le chef avait à commander? R Non, c'est le maître d'œuvre.

Qui est-ce Lumbaire Industries, il n'est pas le chef de projet? R Il travaille à la station de police.

Me Eric Commandant: Bien merci

Me Peter Lindsay: Quel critère la preuve digne-radio quant aux environs de la station avec l'heure de la bombe Tremblay.

Me Eric Commandant: Je vous entendais?

Me. Peter Lindsay: Oui. J'avais essayé avant de mettre en semblable [illegible], [illegible] le [illegible] Bolvigny essaie voici arrivé commencé d'organiser les ouvriers de la fabrique dans la section des produits cosmétiques. Le rapport de l'enquête qui n'est lui ses à l'air à que M. Bolvigny essaie lui ses mon domicile à 1h11 dit. Il est permis-il à nouveau, mais on a pas pu le trouver.

Me Eric Commandant: Il a pas été notifié, et c'est le seul témoin qui vous manque.

Me Peter Lindsay: Oui, quand à cette série de la preuve.

Me Eric Commandant: Vous enumérez de l'avoir plus tard.

Me Eric Commandant: Merci pour votre [illegible] cette m'faire-si.

(page 1700 follows)

GORDON HOOPER, recalled.

EXAMINED BY MR. McRUER:

Q. Mr. Hooper, there are one or two more statements that you have compiled from information furnished you by the Dominion Textiles. This statement I show you is a statement of stocks of rayon on hand expressed in yards? A. Yes.

Q. This, if your lordship pleases, will be the next exhibit.

THE COMMISSIONER: What is it?

MR. McRUER: Stocks of rayon on hand in the Dominion Textiles expressed in yards.

THE COMMISSIONER: On hand when?

MR. McRUER: At different dates mentioned in the statement.

THE COMMISSIONER: And at different places?

MR. McRUER: Yes, at Verdun and at Sherbrooke, my lord.

THE COMMISSIONER: That will be exhibit 135.

EXHIBIT NO. 135: Stocks of rayon on hand in the Dominion Textiles at Verdun and Sherbrooke, expressed in yards.

MR. McRUER: Does your lordship care to have a copy to follow? I have copies of this this morning.

THE COMMISSIONER: Yes.

BY MR. McRUER: Q. Now, this is compiled from information furnished you by the Dominion Textile Company? A. Yes, sir.

Q. In dealing with the Verdun plant first, at December 8th, 1934 the stock in grey is 384,018 yards, The stock in grey in process at Magog 902,640 yards or

GEORGE HOOPER, Cross-Exam.

EXAMINED BY MR. MOLDOVE:

Q. Mr. Hooper, since you have gone on two more occasions that you have consulted your interpreter Lawrence Yu by the Pembina Textile. This statement I show you is a statement of stocks of raw or face cap-[illegible] in yards. A. Yes.

Q. This, if your Lordship pleases, will be the next exhibit.

THE COMMISSIONER: That is 19?

MR. MOLDOVE: Stocks of yarn on hand in the Pembina Textiles warehouse in Winnipeg.

THE COMMISSIONER: In two weeks?

MR. MOLDOVE: At different dates throughout in the warehouse.

THE COMMISSIONER: And at this out place?

MR. MOLDOVE: Yes, at Verdun and at Brandenbe. my lord.

THE COMMISSIONER: That will be exhibit 19.

EXHIBIT NO. 19: Stocks of yarn on hand in the Pembina Textile at Verdun and Brandenbe. Commissioner in proof.

Q. Mr. Hooper, you said in your [illegible] to Milton? I have copies of this statement.

A. Yes.

BY MR. MOLDOVE: Q. Yes. This is another from information furnished you by the Pembina Textile Company?

A. In dealing with the Verdun plant first, on December 8th, 1956 the stock in grey is 304,034 yards [illegible] to process at approx 40¢ yards [illegible]

a total stock of 1,286,658. Then, that deals with the weeks ending the 8th of December, 15th of December, 22nd of December and 30th of December; is that right? A. 1934.

Q. Those weeks ending those dates, yes; then, we have the month of January, 1935. The total stocks on hand there amount to 1,127,214 in the first week, and on the 16th of March that had risen last year to 1,276,104. That is right, isn't it? A. Yes, sir.

Q. Now then, we take the month of December, 1935 and in -- this is a composite statement of Sherbrooke and Magog? A. Yes, sir.

Q. So at this time the Verdun plant had moved to Sherbrooke and there was no production at the Verdun plant? A. That is right.

Q. As far as you understand; on the week ending December 21st in 1935 the total stock on hand had risen to 2,040,179 as against 1,231,119 at the week ending the 22nd of December, 1934. That is correct, isn't it? A. Yes.

Q. And then we go into the month of January, 1936, and for the week ending the 4th of January, practically the same amount on hand, 2,040,436 as against on the week of the 5th of January, 1935, 1,127,214. So the plant apparently started the year 1936 with 900,000 more yards on hand than they started the year 1935? A. That is right.

Q. Now then, to take the course of the stock as shown by the figures up to March 23rd, 1935; from January 5th, 1935 to March 3, 1935 the stock rose at

a total of not 1,[illegible]. [illegible] the week ending the 8th of September, 16th of December and December and 30th of December; is that right?

A. 1944.

Q. Those weeks ending those dates, yes; then, we have the month of January, 1945. The total stores on hand there amount to 1,147,216 in the first week, and on the 16th of December that has risen last year to 1,576,104. That is right, isn't it? A. Yes, sir.

Q. Now then, we take the month of December, 1945 and in -- this is a comparative statement of Sherbrooke and Regent? A. Yes, sir.

Q. So at this time the Verdun plant had moved to Sherbrooke and there was no production at the Verdun plant? A. That is right.

Q. As far as you understand; on the week ending December 21st in 1945 the total stock on hand had risen to 2,040,179 as against 1,[illegible] at the week ending the 22nd of December, 1944. That is correct, isn't it? A. Yes.

Q. And then we go into the month of January, 1946, and for the week ending the 4th of January, practically the same amount on hand, 2,040,456 as against on the week of the 4th of January, 1945, 1,147,214. So the plant automatically started the year 1946 with 900,000 more pounds on hand than they started the year 1945? A. That is right.

Q. Now then, to have the volume of the stock as shown by the figures of 31 [illegible] 1944, from January 4th, 1945 to March 2, 1946 the stock-in-trade at

the Magog plant from 1,127,214 to 1,290,226?

A. That is the composite total.

Q. Yes. A. Magog and --

Q. Magog and Verdun; the total stocks in 1935 rose by approximately 160,000 yards, if my arithmetical calculation is correct, 1,127,000 away from 1,290,000?

A. That is right.

Q. And to take -- we haven't the figure here down to -- A. To the end of March.

Q. To the end of March; well, we will have to take March 9th. On the previous statement from January 5, 1935 to March 9, 1935, which is just the week prior to the commencement of our sittings at Sherbrooke, the stock had risen in 1935 by 127,000 yards while in 1936 between January 4, 1936 and March 7, 1936 the stock dropped over the same period of years by about --

A. 54,000.

Q. 54,000 yards; and it appears from this statement that they started off the year with a very very much heavier stock than they did the year before?

A. Yes.

Q. That is exhibit --

SECRETARY RENE: 135.

(page 1703 follows)

BY MR. McRUER: Q. I think some supplementary information was furnished you by the Dominion Textile Company in reference to the last three weeks of March, in respect to rayon print sales? A. Yes, sir.

Q. You received this statement that I show you, for the weeks of March 7th, 14th and 21st, 1936? A. Yes, sir.

THE COMMISSIONER: Have you copies of that statement, too, Mr. McRuer?

MR. McRUER: No, my lord. This is a copy that was furnished me by Mr. Howard. I just have the one copy.

THE COMMISSIONER: What is this, Mr. McRuer?

MR. McRUER: New specified orders, in 1935, for the week ending March 7th, 1935, there were 1,633;

For the week ending March 7th, 1936, my lord, there were, 2,504.

And specified from bulk, for 1935, for that same week there were 61, and for the week corresponding in1936, there were 371.

And odds in 1935 there were 10, and in 1936 there were 6.

In Seconds, in 1935 there were 313, and in 1936 there were 481.

And New bulk orders, in 1935 there were 60 for that week, and in 1936 there were 500.

Then for the week ending March 14th, 1935, New speci

MR. [illegible]: Q. I think some supplementary information was furnished you by the production company in reference to the last three weeks of [illegible] in [illegible] in [illegible] 1957.

A. I've received only statements for I have you for the weeks of March 7th, 14th and 21st, 1957 - that's [illegible].

THE COURT: Have you copies of that statement, too, Mr. Bennett?

MR. BENNETT: No, my lord. This is a copy that [illegible] me by Mr. [illegible] and. I just have the one copy.

THE COURT: What is this, Mr. [illegible]?

MR. [illegible]: The [illegible] for the week on the March 7th, 1955, there were [illegible] 6000;

For the week ending March 7th, 1956, my lord, [illegible] 1,[illegible];

and modified from bulk, for 1955, for that [illegible] there were 21, and for the week corresponding 1956, there were 271.

The [illegible] as in 1955 there were 16, and in 1956 [illegible] 5.

In [illegible], in 1955 there were 216, and in 1956 [illegible] 481.

And new bulk orders, in 1955 there were 66 for [illegible], and in 1956 [illegible].

Then for the week ending March 14th, 1957, for

specified orders were 2,918; then in 1936 there were 1,294.

Specified from bulk, there were 671 in 1935, and 111 in 1936.

Odds, in 1935 there were 479, and in 1936 there were 14.

Seconds, there were 307 in 1935, and in 1936 there were 157.

New bulk orders, in 1935 there were none, and in 1936 there were 833.

THE COMMISSIONER: What date?

MR. McRUER: In 1936, my lord, the week ending March 14th, 1936.

And for the week ending March 21st, 1935 --

MR. HEWARD: Will you give the totals there, Mr. McRuer?

MR. McRUER: Well, I do not think they mean anything.

MR. HEWARD: To me they do.

MR. McRUER: My friend, Mr. Heward, wishes me to point out that for the week ending March 7th, 1935, the totals were 2,077; and in 1936 there were 3,762.

For the week ending March 14th, 1935, the totals were 4,375; and in 1936 2,409.

For the week ending March 21st, 1935, new specified orders, there were 3,016; in 1936 there were 1,873.

Specified from bulk, 586 in 1935 and in 1936, 334.

respectively, as shown by the 1909 Inventory, 1,846.

Production from Duck, Waterhen and in Lake, and 111 in 1908.

Duck, in 1909 there were 870, and in 1908 there were 16.

Waterhen, there were 207 in 1909, and in 1908 there were 227.

Red Duck Orchard, in 1909 there were none, and in 1908 there were 300.

Mr. Wilson: In 1909, my farm, the crop consisted of 2 ha, 11ha.

And for the work during harvest time, 1908 --

Mr. Justice: Will you give the evidence, Mr. Wilson?

Mr. Wilson: Well, I do not know any more about it.

Mr. Justice: Go on then Mr.

Mr. Wilson: Yes, Sir, Gentlemen, in point of fact that the crop that I mentioned in 1909 should have 4,277; and in 1908 there were 5,750.

For the year ending 30-on 1909, the Indian area 6,370; and in 1908 8,676.

For the year ending June 1st, 1910, the area 1,273.

Production from Duck, and in 1909 and in 1908.

Odds, 29 in 1935; 209 in 1936.

Seconds, none in 1935, 293 in 1936.

New bulk orders, in 135, 100, and in 1936 none.

So that the totals there for that week are 5,731 in 1935 and 2,709 in 1936.

THE COMMISSIONER: That will be Exhibit 136, Mr. McRuer.

EXHIBIT 136: Statement of rayon print sales weeks ending March 7th, 14th, 21st, 1935 and 1936.

THE COMMISSIONER: What do you call it, Mr. McRuer?

MR. McRUER: A statement of rayon print sales, in pieces of 40 yards, for the weeks of March 7th, 14th and 21st, in the years 1935 and 1936.

My Lord, there are three or four sections of the Customs Act that were referred to yesterday, and I have a compilation of the bulletins, arranged in chronological order, which deal with the changes that have been made in the Customs Act since 19[illegible]. I do not intend to go into all those changes, but there are two or three of them in respect to fixed values, currency values, and so on, that I would like to take advantage of, having Mr. Hooper here to discuss them with him, and I have a copy of them for your lordship.

MR. HEWARD: Are you filing them as an exhibit?

MR. McRUER: Yes, Mr. Heward.

THE COMMISSIONER: That will be Exhibit 137, Mr. McRuer. What is it called?

MR. McRUER: It is a memorandum of Customs

ation, 22 in 1926; 227 in 1928.

seconds, none in 1926, 2nd in 1928.

Our last winners, in 1925, 1927, and in 1929 were,

on that the totals were for that week was

5 5,921 in 1925 and 4,700 in 1929.

The Commissioner: That will be printed 2.0, Mr.

Hooper.

MR. HOOPER: Statement of rayon yarn sales
[illegible] Yarn, 1928,
1929, 1930 and 1931.

10 The Commissioner: Not do you call it, Mr. Hooper?

MR. HOOPER: A statement of rayon yarn sales,
in years of 40 years, for the years of which Yarn, has
not lost, in the years 1930 and 1929.

15 Mr. [illegible]: [illegible] of the questions
the questions not that were referred to yesterday,
and I have a compilation of the bulletins, arranged
in chronological order, which deal with the changes
20 that have been made in the Customs set since 1897.
I do not intend to go into all those changes, but here
are two or three of them in respect to fixed values,
currency values, and so on, that I would like to have
advantage of, having Mr. Hooper here to discuss them
25 with him, and I have a copy of them for your Lordship.

MR. HOOPER: Are you filing them as an exhibit?

MR. HOOPER: Yes, Mr. Hooper.

The Commissioner: That will be Exhibit 147.

30 Mr. Hooper. What is it called?

Mr. [illegible]: It is a Memorandum of Customs

EXHIBIT 137: Memorandum of Customs Bulletin.

MR. McKEEN: Now, the first one, my lord, that I wish to refer to is on page 2. Your Lordship will notice, that in the paging of this we have paged them in the upper right hand corner irrespective of the pages of the bulletins, and that 2 and the overleaf is 2-A; if you will just turn over to the other page, my lord.

THE COMMISSIONER: Are you referring now to 2 or 2-A?

MR. McKEEN: 2, my lord; section 40 on page 2, which is under the heading "Valuation for duty - under the Customs Act." This is part of a departmental circular, issued on the 19th of September, 1925:

"Whenever any duty ad valorem is imposed on any goods imported into Canada, the value for duty shall be the fair market value thereof, when sold for home consumption, in the principal markets of the country whence and at the time when the same were exported directly to Canada.

(2) In the case of importations of goods the manufacture or produce of a foreign country, the currency of which is substantially depreciated, the value for duty shall not be less than the value that would be placed on similar goods manufactured or produced in the United Kingdom and imported from that country, if such similar goods are made or produced there. If similar goods are not made or produced in the United

Kingdom, the value for duty shall not be less than the value of similar goods made or produced in any European country the currency of which is not substantially depreciated.

The Minister may determine the value of such goods, and the value so determined shall, until otherwise determined, be the value upon which the duty on such goods shall be computed and levied under regulations prescribed by the Minister."

Now, if your Lordship will go to Page 44-a, you will see the next change which occurred.

THE COMMISSIONER: You are referring to page 43-a?

MR. McRUER: Just a moment, my lord. Mr. Hooper is just correcting me. He points out to me that the first change, in 1928, is at page 16-a, my lord, section 35. Section 40, on page 2 of this document, section 35 as it is set out on page 16-a. I do not think there is any change there except that it is divided up into sub-sections, and the words "United Kingdom" appearing in section 40, are changed to "Great Britain," as appearing in Section 35 on page--

MR. LANCTOT: The rest reads the same.

THE COMMISSIONER: There are four sub-sections instead of two.

MR. McRUER: It is divided into sub-sections, and they use the words "Great Britain."

Then it appears again at page 44-a, which

Kingdom", the value for duty shall not be less than the value of similar goods made or produced in any European country the currency of which is not substantially depreciated.

The Minister may determine the value of such goods, and the value so determined shall, until otherwise determined, be the value upon which the duty on such goods shall be computed and levied under regulations prescribed by the Minister."

Now, if your lordship will go to page 40-a, you will see the next change which occurred.

THE COURT: Yes. You are returning to page 40-a.

MR. HOOPER: Just a moment, my lord. Mr. Hooper is just correcting me. He points out to me that the first change, in 1930, is at page 15-a, my lord, section 35. Section 40, on page 2 of this document, section 35 as it is set out on page 15-a. I do not think there is any change there except that it is divided up into sub-sections, and the words "United Kingdom" appearing in section 40, are changed to "Great Britain," as appearing in section 35 on page-

MR. LAWSON: The text reads the same.

THE COURT ALSO: There are four sub-sections instead of one.

MR. HOOPER: It is divided into sub-sections, and they are in fact "Great Britain".

Then it appears again on page 40-a, also.

is the circular dated March 1st, 1923, and I think is word for word there, and there was no change in it at that time, and it remained still in that form, as it appears on page 44-a, or as it appeared at page 16-a with the slight change in 1928.

THE WITNESS: It is also on page 33.

BY MR. McRUER: Q. And it is carried through in the same form after that? A. Yes.

Q. So that to-day the section that you operate under is, for this purpose, section 35? A. Section 35 is the basic principle of the law.

THE COMMISSIONER: Q. And it has been for about fourteen years, since 1928? A. Well, there might be slight changes; going back before that, my lord, I think it was very much the same.

MR. McRUER: Well then, may we go back again to page 2, and deal with Section 41, as it appears on page 2?

"Such market values shall be the fair market value of such goods, in the usual and ordinary commercial acceptation of the term, and as sold in the ordinary course of trade: Provided that a discount for cash, for duty purposes, shall not exceed two and one-half per cent, and shall not be allowed unless it has been actually allowed and deducted by the exporter on the invoice to the importer."

Now, we come to the next development, my lord, at page

is the circular issued under us, Jud, and I think
is more "or less clear, and there was no reason in
at that time, and it appeared still in that form,
as it appears on page 44, or as it appeared in
10-a also the client change in law.

MR. [illegible]: It is also on page 44.

MR. [illegible]: and it is exactly [illegible]
was made from after that? A. Yes.

Q. So that to-day the mention that you [illegible]
under 1a, for this purpose, section 5(2) [illegible]
so is the single principle of [illegible] law.

MR. [illegible]: Q. and it has been for
about fourteen years, since 1947? A. Yes,
there might be minor changes; going back before 1947,
my lord, I think it was very much the same.

MR. [illegible]: Well then, may we go back again to
page 8, and deal with section 41, as it appears on
page 8?

[illegible] shall be the [illegible]
value of such [illegible], in the usual and ordinary
commercial acceptation of the term, and so said
[illegible]
[illegible]
not exceed two and one-half per cent, and shall
not be allowed unless it has been actually [illegible]
and [illegible] by [illegible]
to the lower [illegible]."

MR. [illegible]: So come to the next development, my lord, we [illegible]

16-a, and I think it appears there just in the same wording, does it not?

THE WITNESS: Yes, Mr. McRuer.

THE COMMISSIONER: What section is it?

MR. McRUER: Section 6, my lord, at page 16-a. And then we go to page 30-a.

THE COMMISSIONER: Page 30-a?

MR. McRUER: Yes, my lord.

MR. LANCTOT: What is the meaning, Mr. Scriver, of 40?

MR. McRUER: That was what was 41, became 36, Mr. Lanctot. Then there is a change in it, on page 30-a, the repeal of the former one appears at page 27. That is the actual statute, my lord.

BY MR. McRUER: Q. What we find on page 30-a is not exactly the same as what we find on page 27?

A. 36 was repealed entirely.

BY THE COMMISSIONER: Q. The whole of 36?

A. Yes, the whole of 36 as it then stood. Some of the wording was the same afterwards, but the section was repealed.

MR. McRUER: Page 27, my lord, gives the repeal; Section 36 of the Customs Act, Chapter 42. This is at the emergency session of 1930.

THE COMMISSIONER: What is the difference between the new and the old sections?

MR. McRUER: I think the language of sub-section 1 is substantially the same. No, it is not

the same either. They introduced the question of jobbers and wholesalers,

THE WITNESS: Yes.

BY MR. McRUER: Q. What was the effect, Mr. Hooper, in making your valuations in regard to that change? The new one reads:

"Such market value shall be the fair market value of such goods in the usual and ordinary commercial acceptation of the term, and as sold in the ordinary course of trade, such value in no case to be lower than the selling price thereof, to jobbers or wholesalers generally at the time and place of shipment, direct to Canada."

That is, that they established that the sale price to jobbers and wholesalers was the minimum on which you could assess? A. Yes.

Q. Irrespective of what price it might be invoiced? A. Yes, or sold to manufacturers.

MR. McRUER: Then sub-section 2, which is new, my lord, reads:

"Provided that the value for duty of new or unused goods shall in no case be less than the actual cost of production of similar goods at date of shipment direct to Canada, plus a reasonable advance for selling cost and profit, and the Minister shall be the sole judge of what shall constitute a reasonable advance in the circumstances, and his decision thereon shall be final."

the same either. They introduced the question of

[illegible] Socialism.

Sub-Division Two.

BY Mr. McCuaig: Q. Then was the effect, as I understand, in making your valuation in regard to what [illegible] The new one reads:

"Such market value shall be the fair average value of such goods in the usual and ordinary commercial acceptation of the term, and as sold in the ordinary course of trade, such value is no case to be lower than the selling price thereof, to jobbers or wholesalers generally at the time and place of shipment, direct to consumers."

That is, that they established that the sale price to jobbers and wholesalers was the minimum on which you could assess? A. Yes.

Q. Irrespective of what price it might be invoiced to, or sold to manufacturers.

Mr. McCuaig: Then sub-section 2, which is now, my lord, reads:

"Provided that the value for duty of new or unused goods shall in no case be less than the actual cost of production of similar goods at date of shipment direct to consumer, plus a reasonable advance for selling cost and profit, and the minister shall be the sole judge of what shall constitute a reasonable advance in the circumstances, and his decision thereon

THE COMMISSIONER: Is that the first time you find that?

MR. McRUER: Yes, my lord, and during the course of this inquiry we shall have to refer to that, because there are certain things that have come to my attention that are dealt with in this Section.

THE COMMISSIONER: You are quoting now again from page 27?

MR. McRUER: No, page 30. It appears in exactly the same terms at page 27. I am quoting from the Bulletin, and 27 is the statute, my lord.

BY MR. McRUER: Q. Now, you might tell us, Mr. Hooper, just how you work when acting under sub-section 2 of 36.

THE COMMISSIONER: Pardon me a second. On what other page do we find it?

MR. McRUER: Page 30-a, my lord.

THE WITNESS: If the value under sub-section 1 of 35 complied with the requirements of Section 36 (2).

BY MR. McRUER: Q. Now, when you get to sub-section 1 of 35, you mean? A. The fair market value as sold for home consumption; if that value was a figure or a price which included cost of production, plus a reasonable advance for selling cost and profit, the value as sold for home consumption would be the value for duty purposes.

Q. Yes. A. That is, if the value which might

THE MR. CHAIRMAN: Is that the final item, Mr. Hall?

MR. HALL: Yes, my lord, and finally the nature of this inquiry as she will have to refer to them, I mean where are certain matters that have come to my attention that are dealt with in this section.

THE CHAIRMAN: Your's is quoting from a page from page 47?

MR. HALL: Yes, from me. I believe it is exactly the same terms at page 47. I am quoting from the bulletin, and it is the second, my lord.

MR. [illegible]: Yes, you might tell me, Mr. Hooper, just now you were using letting under sub-section 1 of 20.

THE CHAIRMAN: Turn to a second. On what other page do we find it?

MR. HOOPER: Page 20-a, my lord.

THE CHAIRMAN: If the value under sub-section 1 of 35 complied with the requirements of section 35 (4).

BY MR. MOLONEY: Q. Now, when you get to sub-section 1 of 20, you assume? A. The fair market value as sold for home consumption; if that value was a figure or a price which included cost of production, plus a reasonable margin for selling cost and profit, the value as sold for home consumption would be the value for duty purposes.

Q. Then we, if the value sign also

be determined under 36 (2) was higher than the value as sold for home consumption, the value under 36(2) would become the value for duty purposes.

Q. So that we have it in this way, that if they sold abroad, we will say in the United States, for home consumption on a fair market value for home consumption, at a price that was not as high as the cost price plus a reasonable advance for selling cost and profit, the value for duty shall be the cost price plus a reasonable advance for selling cost and profit? A. It might be established.

Q. It might be established at that? A. Yes.

THE COMMISSIONER: By the Minister?

MR. McRUER: Q. By the Minister. And the process, I take it, would be that a manufacturer who believed goods were being imported into Canada at a fair market price when sold for home consumption, which was not equal to the cost price plus a reasonable advance for selling cost and profit, to apply to the Minister to have the value fixed under subsection 2 of section 36? A. He should apply to the Department.

Q. To the Department? A. Yes.

THE COMMISSIONER: That means the Minister?

MR. McRUER: The Minister has the final say.

BY THE COMMISSIONER: Q. What Minister is this? A. The Minister they referred to there is the Minister of National Revenue.

BY MR. McRUER: Q. Well then, just one other thing [illegible]

be determined under 86 (2) was higher than the value as sole for home consumption, the value under 86(1) would become the value for duty purposes.

So that we have it in this way, that if duty would abroad, we will say in the United States, for home consumption on a fair market value for home consumption, at a price that was not to pay on the most price plus a reasonable allowance for selling cost and profit, the value for duty would be the cost price plus a reasonable allowance for selling cost and profit.

Q. It ought to be established as that? A. Yes.

The Commissioner: By the distributor?

Mr. Cooper: Q. By the distributor. And the producer, take it, would be just a manufacturer who believed goods were being imported into Canada at a fair market price than sold for home consumption, value per unit equal to the cost price plus a reasonable allowance for selling cost and profit, he would be the value fixed under subsection 2 of section 86?

A. To the determination. Yes.

Mr. Cooper: The Commissioner has that fixed by.

The Commissioner: Yes.

The duties for duty returned to them in the initial [illegible]

Mr. Cooper: Q. Well then, just one other thing

in reference to 36? A. We should say, before we go on here, that before any value is established in 36 (2), investigations are made at the offices of the exporter by officers of the department who are located in Great Britain and foreign countries.

Q. That is, Canadian departmental officers make an investigation and report to the Minister as to what the cost of production is? A. Yes.

Q. Then who determines what shall be a reasonable advance, in the circumstances, for cost of selling and profit; how is that determined? A. The Minister of Customs has that power; he has been delegated that power.

Q. I realise that. Your departmental officer in, shall we say, New York, determines the cost of production there? A. He determines the cost of production, yes.

Q. Or tries to find it out? A. Yes, tries to find it out.

Q. He does all he can, anyway, and then he reports that to the Minister. Does the departmental officer make any report as to what is, in his opinion, a reasonable advance for selling cost and profit?

THE COMMISSIONER: You mean the same officer?

BY MR. McRUER: Q. Yes, does that officer make a report, we will say the departmental officer from New York, as to what, in his opinion, is a reasonable advance for selling cost and profit? A. The officer reports such figures as are available, and that is

in reference to it? ... We would say, before we go on here, that before any value is established in (5), investigations are made at the offices of the exporter by officers of the government who are located in Great Britain and foreign countries.

... Q. Do(?)ies government officers make an investigation and report to the Minister as to what the cost of production is? ... A. Yes.

... Then the determination will still be a reasonable advance in the element known, for cost of selling and profit; how is that determined? ... A. The Minister of Customs has that power; he has been delegated that power.

... Examiner Q. Does he ever consult officers in, shall we say, New York, determine the cost of production there? ... He determines the cost of production, yes.

... Q. Or takes to find it out? ... Yes, takes to find it out.

... In some all is done, anyway, and then he informs to the Minister. Does the departmental officer make any report as to cost in, in his opinion, a reasonable advance for selling cost and profit?

MR. COLD(?): Yes, when the same officer

... A. Yes, we will say, we will say the departmental officer from New York, as to cost, in his opinion, is a reasonable advance for selling cost and profit? ... The office

determined by the Department.

BY THE COMMISSIONER: You say such figures are available, or as are available? A. Yes, my lord.

Q. Are you quite sure you are confining yourself to the reasonable advance? A. Yes, my lord. The reasonable advance must be determined in the department, not by an officer.

Q. That is just the point. Mr. McRuer is asking you whether an officer who makes the investigation suggests what a reasonable advance would be? A. No, my lord, he does not.

Q. You said he did? A. No, my lord. I said that he submitted the information on it.

Q. On the cost of production? A. Yes.

Q. Then who is the person who says, I am going to add so much as a reasonable advance? A. The officer also reports, my lord, the information or data from the general books of account as to selling cost in the home market.

Q. Yes? A. He gives the selling cost in the homemarket, and other pertinent information which would be a guide in determining what was a reasonable advance for profit.

Q. Oh yes. It is a reasonable advance for selling cost and profit? A. Yes, my lord.

by Mr. McRUER: Q. He will report certain figures? One will be the cost of production; the other, he will make an investigation and find out what he can on cost

determined by the Legislature.

Mr. [illegible]: Do you say that Ontario is a province, or is only a province? [illegible], my lord.

[illegible]. Are you saying you are entirely committed to the Canadian advance? [illegible], my lord. The Canadian advance must be determined in the Parliament, not by an officer.

[illegible]. That is just the point. [illegible] Minister is [illegible] an officer who [illegible] the Lieutenant-Governor [illegible] what a responsible minister would [illegible]. No, my lord, he does not.

[illegible]. You said to Mr. [illegible], my lord. I said that he understood the information on it.

[illegible]. In the court of [illegible]? [illegible].

[illegible]. Then was in the present [illegible] said, I am [illegible] so much as a Canadian advance? [illegible]. The officer also reports, my lord, the information or [illegible] from the general [illegible] of Canada as to [illegible] in the home [illegible].

[illegible]. Now? [illegible]. He gives the [illegible] and in a [illegible], and other particulars [illegible] [illegible] to a [illegible] in determining [illegible] a [illegible] [illegible] for [illegible].

[illegible]. Yes. It is a [illegible] [illegible] [illegible]? [illegible], my lord.

[illegible] will be the [illegible] of [illegible], [illegible] will [illegible] an [illegible] and find out what he can [illegible]

of selling? A. Cost of selling.

Q. And on profit? A. He might. He ca not speak generally, but in some cases he might obtain information which would be a guide in determining a reasonable profit.

Q. Yes, but he does not say that, in my opinion, such-and-such would be a reasonable advance for selling cost and profit, based on my investigation; he just reports the figures? A. He reports facts.

Q. Then who is it that makes up his mind, after looking at these facts, and determining whether or that is a reasonable advance for selling cost and profit; who has that decision? A. The Commissioner of Customs.

Q. The Commissioner of Customs? A. Assisted by Mr. Richards, who is in charge of the Valuation Branch.

Q. And then the Minister, he is the man that--- A. The Minister, we take it, is an arbitrator in this case.

Q. Oh, I see. Well, in the working out of it there are cases - he had had them; I have some on file- where action had been taken under this Section? A. Yes, sir.

Q. There are plenty of cases where action has been taken under this section since it was passed? A. Well, those reports are reviewed by the Officers of the Department, and then presented to the officer in charge of the Valuation Branch, and he, in turn,

reviews them with the Commissioner.

Q. He reviews them with the Commissioner? A. Yes.

Q. Then the Commissioner, in the practical working out, states what, in his opinion, is a reasonable advance for selling cost and profit; is that right? A. Generally. It would, in most cases. I would not want to say that the Commissioner was responsible for all rulings; he is really responsible, I suppose, he does not pass on all rulings, no.

Q. Well, the Commissioner or someone in the Department? A. The Commissioner, or the man who is responsible under the Commissioner.

Q. Then, after the ruling is made, if the Canadian manufacturer, we will say, is still not satisfied it is settled finally by the Minister? A. Yes.

Q. And are there cases, to your knowledge, where they were referred to the Minister for final settlement? A. I know that there have been, yes.

THE COMMISSIONER: You mean at the request of the Canadian Manufacturer?

MR. McRUER: At the request of the Canadian Manufacturer, yes, my lord.

THE WITNESS: And also the exporter, - one or the other.

BY MR. McRUER: Q. The manufacturer may be satisfied? A. Yes.

BY THE COMMISSIONER: Q. Yes, and the exporter may not be satisfied? A. Yes.

reviews them with the Commissioner.

Q. He reviews them with the Commissioner?

A. Yes.

Then the Commissioner, in the practical sense, always must, in his opinion, be a responsible man for calling court and profit; is that right? A. Practically. It would, in most cases. I would not say to say that the Commissioner was responsible for all rulings; he is really responsible, I suppose, he does not pass on all rulings, no.

Q. Well, the Commissioner is responsible to the Government? A. The Commissioner, or the man who is responsible, owes the Government.

Q. Then, after the ruling is made, if the Commissioner, we will say, is still not satisfied with it is entirely finally by the Commissioner? A. Yes.

Q. And are these cases, to your knowledge, where they are referred to the Jail for final settlement? A. I know that there has been, yes.

THE COMMISSIONER: Not even at the request of the Public Accountant?

MR. LOUNT: At the request of the Commission Accountant, yes, my Lord.

THE COMMISSIONER: And also the auditor, - one or the other.

BY MR. LOUNT: Q. The auditor may be satisfied? A. Yes.

BY THE COMMISSIONER: Q. Yes, and the auditor

Q. Or vice versa? A. Yes.

BY MR. McRUER: Q. Well then, in reference to sub-section 1, my lord, if your lordship will look at page 58, your lordship will see that that was repealed.

THE COMMISSIONER: That that was repealed, Mr. McRuer?

MR. McRUER: Sub-section 1 of Section 36.

THE COMMISSIONER: And what was substituted for sub-section 1?

MR. McRUER: Nothing, my lord.

THE COMMISSIONER: I can quite understand the wording of section 2 would render section 1 quite unnecessary. Sub-section 1, page 58, reads as follows:

> "Sub-section 1 of Section 36 of the Customs Act, Chapter forty-two of the Revised Statutes of Canada, 1927, as enacted by section ~~60~~ one of Chapter two of the Statutes of 1930 (2nd Session), is repealed."

So that sub-section 1 went out in 1934. That seems that sub-section 2, became the whole section.

MR. McRUER: And is the whole section, my lord.

THE WITNESS: Pardon me, no, my lord. Sub-section (a) has been added, so there are still two sub-sections to section 36.

BY THE COMMISSIONER: Q. 36 (a)? A. Yes, on page 57.

Q. Where do you find the other sub-section?

A. Page 57.

MR. McRUER: Oh yes, back of page 58.

BY THE COMMISSIONER: Q. 36-a, you say, is a new sub-section? A. There are two sub-sections, sub-section (a) and sub-section (2).

BY MR. McRUER: You are mistaken on that, Mr. Hooper. 36 (a) is a new sub-section. It is not a sub-section of 36; it is 36 (a):

"Said Act is amended by inserting the following section immediately after Section Thirty-six thereof."

A. My mistake.

Q. All right:

"The Governor-in-Council, whenever it is deemed expedient to do so, may order that excise duties and excise taxes in whole or in part shall be disregarded in estimating the value for duty of goods of any kind imported into Canada from any specified country and may vary or rescind such order."

Now, there was an Order-in-Council under that section in regard to cotton, was there not? A. Yes, in regard to cotton.

Q. That is where there is an excise duty on goods abroad; the Governor -in-Council may order --

THE COMMISSIONER: Excise duty, you mean collect it in a foreign country? A. Yes, my lord.

Q. You are sure of that? A. Yes, my lord.

BY MR. McRUER: Q. The Governor-in-Council may

order that it be not taken into consideration for the purpose of valuing for duty purposes? A. Regular and special duty purposes.

Q. We will come to that when we are dealing with cotton some time later.

THE COMMISSIONER: There is an Order-in-Council on cotton?

MR. McRUER: Yes, my lord. I do not think we have got it in the file here. You will prepare that, Mr. Hooper?

THE WITNESS: Yes. That has to do with the United States tax on cotton.

Q. The Order-in-Council? A. Yes, the Order-in-Council.

THE COMMISSIONER: I would like to see the Order-in-Council because then I would understand it.

BY MR. McRUER: Q. Have you a copy of it in the City? A. I would have to look. We could send to Ottawa and get a copy very quickly.

MR. McRUER: I think, my lord, that deals with these two sections.

BY THE COMMISSIONER: Q. Those sections you have just read are still in force? A. Yes, my lord. There is a slight change, I believe, in section 36 (2)

MR. McRUER: That was what was formerly section or sub-section (2).

THE COMMISSIONER: Now it is sub-section (1)?

MR. McRUER: Yes.

[illegible] that is he not taken into consideration the [illegible]
[illegible] in making the payments. [illegible]
and special duty payments.

Q. Is that given to the men when we are [illegible]
[illegible] Line Labor?

[illegible] Q. There is no [illegible]
on account?

A. Answer: Yes, by inc. I do not think we
have got to do the line work. You will [illegible]
Q. Thank?

Ian [illegible]: Yes. Don't you do [illegible]
[illegible] [illegible] and so forth.

Q. The order-in-council? A. Yes, the order-
in-council.

Q. [illegible]: I would like to see the order-
in-council because then I do not understand it.

MR. M. [illegible]: Q. Have you a copy of it [illegible]
[illegible]? I would have to look. We could [illegible]
to where you get a copy very quickly.

MR. [illegible]: I think, my Lord, that could [illegible]
the [illegible].

Q. [illegible] Lord [illegible] [illegible]
[illegible] and a still in force? A. Yes, my Lord.
There is a minute about it [illegible] in question is [illegible]
Q. [illegible] Lord [illegible] [illegible]
[illegible] sub-section (2).

MR. [illegible]: Now is it sub-section (1)?

Q. [illegible]: Yes.

THE WITNESS: The Government, or Mr. Wrong, at Washington, gave the United States Government an undertaking, that Section 36 (E) would be changed so that the advance would not be greater, - the advance for selling cost and profit would not be greater than a reasonable advance,-- this is Mr. Wrong's letter.

BY THE COMMISSIONER: Q. Mr. Whose letter?

A. Mr. H.H. Wrong's.

Q. Who is he? A. He is the Secretary of the Legation at Washington. This was a letter to the Honourable Cordell Hull, Secretary of State; this was written during the time the present government were negotiating a state treaty with the United States, and it reads in part as follows:

Q. What is the date of it? A. November 15th, 1935.

BY MR. McRUER: Q. That was at the time the trade agreement with the United States was being negotiated? A. Yes, Mr. McRuer, and his letter read in part:

"(a) The value for duty established under authority of Section 36 (E) will not include an advance for selling cost or profit greater than that which in the ordinary course of business under normal conditions of trade, is added, in the case of goods similar to the particular goods under consideration, by manufacturers or producers of goods of the same class or kind in the country of export."

The Times: "Can Germany", Mr. Irvine,
"gave the United States Government an
assurance", that section 5(2) would be changed so
that the advance would not be greater, - the advance
or selling cost and profit would not be greater than
reasonable advance, -- this is Mr. Long's letter.

BY THE CHAIRMAN: . Mr. Long's letter

A. Mr. H.A. Wrong's.

. Who is Mr . He is the Secretary of the
Legation at Washington. This was a letter to the
Canadian Consul Vail. Secretary of State: this was
written during the time the present government were
negotiating a treaty with the United States,
and it reads in part as follows:

. That is the date of it? . November 1922.

BY Mr. McGIBBON: . That was at the time the treaty
negotiations with the United States was being negotiated?

. Yes, sir. Mr. Long, and this letter read in part:

"(1) The value for duty established
under subsect 3 of section 5 (2) will not include
an advance for selling cost or profit greater
than that which in the ordinary course of business
under normal conditions obtains, is added, in
the case of goods similar to the particular goods
in question, by manufacturers or producers of
goods of the same class or kind in the country
of export".

THE COMMISSIONER: That is part of the present Treaty, is it, Mr. McRUER?

MR. McRUER: Yes, my lord. I do not think it is in the Treaty, your lordship, I think it is sort of collateral to it.

THE WITNESS: Yes, and I believe that has been carried out, or about to be carried out.

MR. McRUER: That has not been passed as part of the Act ratifying the treaty.

THE COMMISSIONER: Just an undertaking given.

MR. LANCTOT: It comes under Bill No. 11, to amend the Customs Act.

MR. McRUER: Now, the next and last import section that I propose to deal with at the moment, my lord, is Section 43, which appears at page 17-4. This was introduced first in 1928, was it not, Mr. Hooper?

THE WITNESS: Yes.

MR. McRUER: It reads as follows:

"If at any time it appears to the satisfaction of the Governor-in-Council on a report from the Minister, that natural products of a class or kind produced in Canada are being imported into Canada, either on sale or on consignment, under such conditions as prejudicially or injuriously to affect the interests of Canadian producers, the Governor-in-Council may, in any case or class of cases, authorize the Minister to value such goods for

the world. Does it form part of the general law?

Hon. Mr. McPHERSON:

Mr. GOULD: Yes, my lord. I do not think it is in the Party, your lordship, I think it is part of collateral to it.

Hon. LORD: Yes, and I feel we have been carried out, or about to be carried out.

Mr. GOULD: That has not been passed as part of the act implying the trust.

Hon. LORD: Just an understanding given.

Mr. GOULD: It comes under Bill 3. It, to amend the Gaming Act.

Mr. GOULD: Now, the next was that section that I propose to read is the Lottery, it prohibits, etc. [illegible] This was introduced first in 1892, was it not, Mr. [illegible]

Hon. LORD: Yes.

Mr. GOULD: It reads as follows:

"If at any time it appears to the Lieutenant-Governor-in-Council on a report from the Minister, that general provision of a class or kind produced in Canada are being imported into Canada, either on sale or on commission, [illegible] or prejudicially or injuriously to affect the interests of certain producers, the Lieutenant-Governor-in-Council may, in any case or class of cases, authorize the Minister to place such goods

duty, notwithstanding any other provisions of this Act, and the value so determined shall be held to be the fair market value thereof."

That was amended in 1930, my lord. It appears at page 31-A, so as to extend to other goods.

THE COMMISSIONER: Natural produce of a class or kind produced in Canada.

MR. McRUER: Yes, my lord.

THE COMMISSIONER: What is the change?

MR. McRUER: Then in 1930, in September, 1930, it was changed to include goods of other sorts.

THE COMMISSIONER: Goods of any kind.

MR. McRUER: Yes, goods of any kind.

THE COMMISSIONER: That is, whether actually produced or not?

MR. McRUER: Yes, my lord.

THE COMMISSIONER: And whether produced in Canada or not?

THE WITNESS: No, sir; they are of a class or kind made in Canada.

BY THE COMMISSIONER: Q. Where do you get that? A. It is in there, my lord. I think maybe you will have to read that into it.

Q. But you must not read into it; it says:

"Goods of any kind are being imported into Canada, either on sale or on consignment, under such conditions as prejudicially or injuriously to affect the interests of Canadian

duty, notwithstanding any other provisions of this Act, and the trial Judge shall determine what need to be the fair market value thereof."

That was amended in 1960, my Lord. It appears in Page 31-A, so as to extend to other goods.

THE COMMISSIONER: Natural produce of a plant or kind produced in Canada.

MR. [illegible] Yes, my Lord.

THE COMMISSIONER: What is the changes?

MR. MORDEN: Then in 1960, in the tariff, 1960, it was changed to include goods of other north.

THE CO MMISSIONER: Goods of any kind.

MR. MORDEN: Yes, goods of any kind.

THE COMMISSIONER: That is, whether actually produced or not?

MR. MORDEN: Yes, my Lord.

THE COMMISSIONER: And whether produced in Canada or not?

MR. MORDEN: Sir; they are of a plant or kind made in Canada.

BY THE COMMISSIONER: Q. Where do you get that? A. It is in there, my Lord. I think maybe you will have to read that into it.

Q. But you must not read into it; it says: "Goods of any kind are being imported into Canada, either in whole or in manufacture, under such circumstances as are calculated or are likely to injuriously to affect the interests of Canadian

producers or manufacturers...."

That does not mean to say the same goods, though? A. No, they do not hold that they are to be the same goods.

THE COMMISSIONER: That may hurt the sale of oranges; but you cannot read those words into it.

MR. McRUER: Then sub-section 2 of Section 43, has to do with publication. That was amended, my lord, in 1933, at page 45. The effect was to exempt goods that were entitled to entry under the British Preferential Tariff, or a lower tariff.

THE COMMISSIONER: At page 45?

MR. McRUER: Page 45-(a), my lord.

THE COMMISSIONER: Oh yes, an exception is made.

MR. McRUER: Oh, that is goods entitled to entry under the British Preferential Tariff, or any lower tariff, were exempted.

BY MR. McRUER: Q. But, Mr. Hooper, I understand, that where there had been fixed values as against British goods up until the time of this amendment, those fixed values remained in force and effect until the 10th December, 1935? A. Yes.

Q. That is where values had been fixed on British goods. I mean on goods that were entitled to entry under the British Preferential Tariff prior to this amendment in 1935, those values remained until action was taken on the 10th of December, 1935? A. On that date it was finally cleared up.

MR. GEOFFRION: That was the Supreme Court decision.

(Page 1725 follows)

"Promoters of social disorder...."

Just does that house Economy has some answers, Strategy
-- No, theory is not what such they are to do are some
people.

5 [illegible] that my least the walls of
conquest, but and answers real times answer into it.

[illegible] Also discussion I of nations on,
has to do with publication. Then was [illegible], in
[illegible], as prove do. The effect was to [illegible]
10 and I that were entitled to entry under the military
international World, or a lower world.

[illegible]

[illegible]

15 [illegible] to [illegible], an [illegible] to [illegible].

[illegible]

entry under the military international world, or any
lower world, then [illegible].

20 Mr. [illegible] -- Yes, Mr. Speaker, I wanted to
just share [illegible] that [illegible] of [illegible]
[illegible] by [illegible] the [illegible] of this [illegible].
[illegible] [illegible] [illegible] Economy
[illegible] [illegible] [illegible] [illegible] [illegible]

25 [illegible] [illegible] [illegible] [illegible]
[illegible] [illegible] [illegible] [illegible] [illegible]
[illegible] [illegible] [illegible] [illegible] [illegible]
[illegible] [illegible] [illegible] [illegible] [illegible]
[illegible] [illegible] [illegible] [illegible] [illegible]

30 [illegible] [illegible] [illegible] [illegible] [illegible]
[illegible] [illegible] [illegible] [illegible] [illegible]

Q. I think that is all. A. I have the bulletin here on the Japanese currency.

Q. Yes, what we mentioned yesterday.

A. There is there sections there; that is the July one.

Q. Mr. Hooper has produced this morning my lord, a copy of the departmental memorandum in reference to the currency valuations that were discussed yesterday. There is one dated the 24th of July, 1935, one the 8th of August, 1935 and the other is the 30th of December, 1935. That is the one that we are immediately interested in, and it fixes the value of the yen at 39½¢. This will be filed then as an exhibit, my lord.

THE COMMISSIONER: 138.

EXHIBIT NO. 138: Three bulletins on values of foreign currencies.

THE COMMISSIONER: It is particulars about the valuation of the yen?

MR. McRUER: Foreign currencies, bulletins on foreign currencies, my lord.

THE WITNESS: Foreign depreciated currencies.

Q. On the 24th of July the valuation of the yen was .4151. The 8th of August does not affect it. Then, on the 30th of December it was .395. I might just read the bulletin of the 30th of December, my lord.

"By Order in Council (P.C. 3974) dated 28th December, 1935, issued under authority of Section 6, subsection 9 of the Customs Tariff, it is ordered that Order in Council (P.C. 2083) dated the 20th of July, 1935, fixing the rate of

Q. (which that is all).

the bulletin from on the Exchange currency.

A. Yes, what are mentioned ? stamps?

Q. There is three sections there: that is the July one

Q. Mr. Kerper has produced this one dated July

a copy of the directors' resolution in preference

to the currency bulletins that were circulated yesterday.

There is one dated the 11th of July, then, one on 4th

of August, 1965 and the other is the 20th of December,

1965. That is the one that we are immediately

interested in, and it is on the value of the yen at

29¾. This will be filed then as an exhibit, my

Lord.

MR. [illegible]: Yes.

EXHIBIT No. 126: Notes on letters on value of foreign currencies.

THE COMMISSIONER: It is particulars about the

valuation of the yen?

MR. [illegible]: Yes.

MR. [illegible]: Yes.

A. On the 20th of July the valuation of the yen

was .3121. The 4th of August does not affect it.

Then, on the 20th of December it was .3021. I might

just read the bulletin of the Bank of Canada, my Lord.

"Mr. Ernst in Council (P.C. 1976) dated 28th

December, 1965, issued under authority of section

6(1)(a)(iii) 3 of the Customs Tariff, it is

ordered that effect in Council (P.C. 2000) dated

the 20th of July, 1965, and

"exchange for computing the value for duty of goods imported into Canada from certain countries, be cancelled, and that the rate of exchange for computing the value for ordinary and special duty of goods of a class or kind made or produced in Canada imported from the undermentioned countries shall be fixed as hereunder indicated, effective from the 1st of January, 1936, for a period of one year from that date."

And Japan, the rate is 0.396. Denmark and Finland are both included in the order, but I don't know that it becomes important at the moment.

"NOTE: In computing the value for duty of goods of a class or kind not made or produced in Canada, the value of these currencies will be the current exchange value in terms of the Canadian dollar at the time the goods are exported to Canada.

The above values will apply to all goods imported or taken out of warehouse for consumption on and after January 1st, 1936, and also to goods previously imported for which no entry for consumption was made before that date."

Then, it is correct, is it, Mr. Hooper, that where you are computing the value for duty purposes of goods of a class or kind not made in Canada you use the current rate of exchange? A. Yes.

Q. Now, who determines whether goods are of a class or kind made in Canada? How is that determined? A. That is determined from information obtained by investigators in Canada, determined by the officers

"exchange for computing the value for duty of
imported into Canada from certain countries,
specific, and that the rate of exchange for c
puting the value for ordinary and special du
goods of a class or kind made or produced in
Canada imported from the mentioned countri
shall be fixed on December indicated. effect
from the 1st of January, 1946, for a period o
year from that date."

And Japan, the rate is 0.309. Germany and Finland
are both included in the order, but I don't know t
it becomes important at the moment.

"NOTE: In computing the value for duty of goods
of class or kind not made or produced in Canada
the value of these currencies will be the co
exchange value in terms of the Canadian doll
at the time the goods are exported to Canada.

The above values will apply to all goods
imported or taken out of warehouse for consum
on and after January 1st, 1946, and also to
previously imported for which no entry for c
sumption was made before that date."

Then, it is correct, is it, Mr. Hooper, that when
are computing the value for duty purposes of goods
of class or kind not made in Canada you use the
on the exchange? A. Yes.

Q. Now, who determines whether goods are of
class or kind made in Canada? How is that determ
A. That is determined from information obtained b
investigators in our co., interviewed by the officers

of the department.

Q. It would occur to me it must be a narrow question sometimes as to whether goods that are coming in are of a class or kind made in Canada?

A. Well, first of all, if you deal with class -- I should say before I start that maybe I am not competent to speak of the proper rulings in this regard -- if you deal with class you are dealing with something quite broad. You are talking about fabrics or cotton; you are talking about class and you maybe speak of cotton fabrics, and cotton fabrics are made in Canada. You might find a certain type of cotton fabric not made here. That would have to be determined. The policy of the department would be -- or you might go so far as to say the policy of the government in that regard, as the Minister surely guides the department in these matters, and that is the policy of the department to deal with those matters in quite a broad way.

Q. Take, for instance, on cotton goods, where you have goods made of one hundred and tens or one hundred and twenties, as compared with goods made of nineties, how do you deal with a situation like that? One is very much finer yarn. How do you work it out? That is what I am curious to know. It seems to me to be a bit difficult and at times probably you have found it difficult, sometimes? A. I don't, because I don't handle it.

Q. Who handles that in the department?

A. Mr. Jackson is responsible.

the department.

Q. It seems odd to me it must be a matter of an instruction or a bulletin or something that was issued in the form of a circular or also made in writing?

A. Well, first of all, if you deal with cheese -- I say, before I start that maybe I am not competent to speak of the process involved in this matter -- if you deal with cheese you are dealing with something perishable. You are talking about perishable or contents a tainting about cheese and you make sums of money. Now, our notion regarding our market in Canada. It is that a certain type of section Fabrio has made cheese. That would have to be determined. The question of the department would be -- or you might be putting to say the policy of the government in that respect as the minister surely guides the department in these matters, and that is the policy of the department to deal with these matters in quite a broad way.

Q. Here, for instance, on cotton goods, where you have goods made of one hundred and three or one hundred and twenties, as compared with goods made of modities, how do you deal with a situation like this one in very much lower price. How do you work it? That is what I am anxious to know. It seems to me to be a bit difficult and at times probably you have found it difficult, gentlemen? A. I don't

Examination Tuesday IV.

Q. Who handles that in the department?

A. Mr. Jackson is responsible.

A. Well, we probably might ask Mr. Jackson some time. Tell me, do you recollect whether the surtax was put on prior to this bulletin of the 24th of July, 1935, fixing the yen at .4181, or it followed that?

5 A. If my memory serves me correctly it followed that. That was all about the same time, but I think the surtax followed that.

THE COMMISSIONER: Mr. McRuer, you are through with Mr. Hooper for the time being?

10 MR. McRUER: Yes.

THE COMMISSIONER: Of course, it may be necessary to call him again; counsel may wish to cross-examine him.

MR. McRUER: Yes, my friends want to cross-examine

15 him after we have had those statements copied that were put in yesterday, and I think they will probably be ready very shortly now.

THE WITNESS: Mr. McRuer, Mr. Gordon tells me that the bulletin was issued prior to that.

20 MR. GORDON: I would not like to be too positive.

THE WITNESS: I know it became effective after that date.

MR. McRUER: What I wanted to get was, if I could, the chronological order of events. As I recollect it

25 the Japanese put on a surtax and Canada replied with a surtax, and then I don't know whether this was put on before or after.

THE WITNESS: I don't know the order of that.

30 MR. McRUER: We can find that out.

MR. LAMOTOT: My lord, if there was an adjournment

Q. Well, we probably might get it. Perhaps a
time. Just so, so you understand whatever the answer
was put on paper to this board in of the date of
June, taking the year at .4181, or is talking that
Q. If my memory serves me correctly, it talking
that was all about the same time, but I think the
following that.

The Chairman: Mr. Lemmer, you are through
Mr. Power for the time being?

Mr. Lemmer:

The Commissioner: Of course, if you do
it will be merely; counsel may wish to cross-examine
him.

Mr. Morden: Yes, my friends want to cross-
him after we have had those statements quoted to
put in yesterday, but I think they will probably
ready very shortly now.

The Witness: Mr. Lemmer, Mr. Lemmer tells me
that the bulletin was issued prior to that.

Mr. Morden: I would not like to be too positive
The Witness: I know it became effective at
that date.

Mr. Morden: That I realize to be the case. If I
the chronological order of events. As I recall
the Japanese put on a surtax and then he repealed
surtax, and then I don't know whether this was
before or after.

The Witness: I don't know the order of that
Mr. Morden: He can find that out.
Mr. Lemmer: My lord, if I may be allowed

it would give us time to prepare the cross-examination for Monday morning.

THE COMMISSIONER: You say you wish an adjournment?

MR. LANCTOT: If there was an adjournment, because we have to follow this.

THE COMMISSIONER: If you do not sit this afternoon--

MR. LANCTOT: I have been in court and it is hard to prepare the cross-examination.

THE COMMISSIONER: I am not calling on you to cross-examine him now at all. Mr. McRuer, are you through?

MR. McRUER: I am through with Mr. Hooper; I am ready to go on with Mr. Gordon.

THE COMMISSIONER: This morning?

MR. McRUER: Yes, my lord.

THE COMMISSIONER: What are the wishes of counsel about sitting on Saturday afternoon?

MR. GROVENOR: That is what my friend was suggesting, that we might prepare the cross-examination better if we did not sit this afternoon, because we must see these documents, and if the copies are not made perhaps we might borrow the originals. Then, we will be ready on Monday morning.

THE COMMISSIONER: What do you say to that? That means we would adjourn now, then.

MR. McRUER: I am satisfied to do anything. My task is to carry on.

THE COMMISSIONER: I think it is more reasonable. I think we ought to adjourn now until Monday morning at ten o'clock -- half past ten, pardon me.

-- The Commission adjourned at 12.10 p.m., Saturday, 4th April, 1936, to resume on Monday, 6th April, 10.30 a.m.

is merely just an idea to prepare the cross-examination for Monday morning.

THE COMMISSIONER: You may give us a rough estimate. MR. LAMONT: It seems that we anticipated because we have to follow that.

THE COMMISSIONER: If you do not mind this afternoon MR. LAMONT: I have been in court and it is to prepare the cross-examination.

THE COMMISSIONER: I am not calling on you to examine his now at all. Mr. McKeen, are you through MR. MCKEEN: I am through with Mr. Hooper; I am going to go on with Mr. Gordon.

THE COMMISSIONER: Quite entitled.

MR. [illegible], Yes, my Lord.

THE COMMISSIONER: That are the matter of course about sitting on Saturday afternoon?

MR. MCKEEN: That is what my friend and myself, that we might prepare the cross-examination but if we did not sit this afternoon, because we must have those documents, and if the [illegible] are not made we might hurt the situation. Then, we will be ready on Monday morning.

THE COMMISSIONER: What do you say to that?

MR. [illegible]: Yes.

MR. MORDEN: I am satisfied to do anything that is to carry on.

THE COMMISSIONER: I think it is more [illegible]

ROYAL COMMISSION ON THE TEXTILE INDUSTRY

HON. MR. JUSTICE W.F.A. TURGEON,

Commissioner,

A.S. Whiteley, Secretary,

FOURTEENTH DAY

Robert Brydie,
Official Reporter.

ROYAL COMMISSION ON THE TEXTILE INDUSTRY

HON. MR. JUSTICE W.F.A. TURGEON,

Commissioner,

A.S. Whiteley, Secretary.

Appearances:

J.C. McRuer, K.C. and E. Beauregard, K.C.	Commission Counsel,
J.P. Lanctot, K.C.	For special Committee of Primary Textile Industries.
C.G. Heward, K.C., Aime Geoffrion, K.C. and C.T. Ballantyne,	For Dominion Textile Co.
S.G. Dixon, K.C.,	For Courtaulds, Limited,
L.A. Forsyth, K.C.,	For Canadian Celanese Ltd. and Canadian Silk Products Limited.
Francois Lajoie, K.C.,	For the Wabasso Cotton Company, Limited.

-- oOo --

Robert Brydie,
Official Reporter.

A. S. Whitely, Secretary.

A p p e a r a n c e s:

J.C. Mohner, K.C. and E. Bourgeois, K.C.	Commission Counsel.
J.P. Lamotet, K.C.	For a-ocial Committee of Primary Textile Industries.
G.O. Howard, K.C., Jean Dupuis, K.C. and C.J. Smallwood.	For Dominion Textile Co.
H.M. Jones, K.C.	For Courtaulds, Limited.
L.A. Forsyth, K.C.	For Canadian Celanese Ltd and Canadian Silk Products Limited.
Francois Lajoie, K.C.	For the Dabasso Cotton Company, Limited.

Court House,
Montreal, P.Que.
6th April, 1936

-- On resuming at 10.30 A. M.

--

GORDON HOOPER,

EXAMINATION BY MR. McRUER (Resumed):

BY MR. McRUER: Q. Mr. Hooper, did you get those bulletins? A. Yes.

MR. McRUER: Mr. Hooper mentioned on Saturday, my lord, two bulletins that had been issued by the Department of National Revenue, one in reference to the United States Excise and Processing Tax. I asked him to secure them and he has them this morning, so that I would like to file Bulletin No. 4239.

THE COMMISSIONER: That will be Exhibit 139. That is a United States Bulletin?

MR. McRUER: No, my lord. It is a bulletin of the Department of National Revenue in the Dominion of Canada.

EXHIBIT 139: Appraiser's Bulletin, No. 4239.

THE COMMISSIONER: What is it about, Mr. McRuer?

MR. McRUER: United States Excise and Processing Taxes. You will remember, Mr. Hooper said that they were permitted to eliminate them in fixing the value for duty purposes. I will just read the Bulletin. The subject is:

United States Excise and Processing Taxes:

For the guidance of Customs and Excise Officers. Provided however, that goods shall

-- On resuming at 10.00 a.m.

--

EXAMINATION BY MR. MONDER (Resumed):

BY MR. MONDER: Mr. Hooper, did you see the bulletins?

. Yes.

MR. MOLT MA: Mr. Hooper mentioned on Saturday, my lord, two bulletins that had been issued by the Department of National Revenue, one in reference to the United States Excise and Processing Tax. I asked him to secure them and he has them this morning, so that I would like to file Bulletin No. 4289.

THE COMMISSIONER: That will be Exhibit 149. That is a United States Bulletin?

MR. MONDER: No, my lord. It is a bulletin of the Department of National Revenue in the Dominion of Canada.

EXHIBIT 149: Appraiser's Bulletin, No. 4289.

THE COMMISSIONER: What is it about, Mr. Monder?

MR. MONDER: United States Excise and Processing Taxes. You will remember, Mr. Hooper said that they were permitted to eliminate them in fixing the value for duty purposes. I will just read the bulletin. The subject is:

United States Excise and Processing Taxes:

For the guidance of Customs and Excise

not be entered at less than their true invoice value. (Signed) H.D. Skelly,

Commissioner of Customs, Department of National Revenue, Ottawa, 23rd July, 1934.

CURRENT VALUES FOR DUTY - (CLASS B).

UNITED STATES EXCISE AND PROCESSING TAXES

By Order in Council (P.C. 1584) dated the 19th July, 1934, passed under the authority of Section 36a of the Customs Act, as enacted by Chapter 48 of the Statutes of 1934, and sub-section 2a of Section 6 of the Customs Tariff, as enacted by Chapter 49 of the Statutes of Canada, 1934, it is ordered that the excise duties or taxes and processing or compensating taxes imposed in respect of goods hereunder named in the country hereunder specified be disregarded in estimating the value for duty of such goods when imported into Canada, and be disregarded in estimating the market value of such goods for the purpose of special duty, namely:

Tax	Goods	Country
Processing Tax and Compensating Tax imposed under the Agricultural Adjustment Act.	Hog Products	United States of America.
Processing Tax and Compensating Tax imposed under the Agricultural Adjustment Act.	Cotton Products	United States of America.
Excise tax imposed under Federal Authority	Gasolene,	United States

not be entered at less than their true invoice value. [illegible]

Commissioner of Customs, Department of National Revenue, Ottawa, 22nd July, 1924.

CURRENT MATTERS FOR DUTY - (Class M).

By order in Council (P.C. 1944) dated the 14th July, 1924, issued under the authority of section 36a of the Customs Act, as enacted by Chapter 44 of the Statutes of 1924, and subsection 2a of section 6 of the Customs Tariff as enacted by Chapter 40 of the Statutes of Canada, 1924, it is ordered that the excise duties or taxes and processing or compensating taxes imposed in respect of goods hereunder named in the country hereunder specified be disregarded in estimating the value for duty on such goods when imported into Canada, and be disregarded in estimating the market value of such goods for the purposes of special duty, namely:

Tax	Goods	Country
Processing Tax and Compensating Tax imposed under the [illegible] act.	Hog Products	United States of America
[illegible] Tax [illegible] Compensating Tax imposed under the [illegible] act.	Products	[illegible] of [illegible]

Excise Tax imposed under Federal Authority,	Lubricating Oils	United States of America

This order is effective on and after the 21st July, 1934, the date of publication in the Canada Gazette."

THE COMMISSIONER: What has the effect of that been, Mr. McRuer?

BY MR. McRUER: Q. Will you just explain now, Mr. Hooper, what the effect of that is? A. That the value at which goods were sold in the United States is reduced by the amount of the processing tax for regular duty purposes.

BY THE COMMISSIONER: Q. It is a reduction? A. It is a reduction of the home market selling price.

Q. Yes, on the market selling price? A. Yes, my lord.

Q. And, consequently, a reduction of the duty assessable here? A. The duty would be that much lower.

Q. The duty would be that much lower in Canada? A. Yes.

BY MR. McRUER: Q. That is, as I understand it, this processing tax was a tax that was added to the price of production in the United States? A. It is an amount paid by the manufacturer when goods are sold in the United States.

Q. Yes, under one of these special acts.

BY THE COMMISSIONER: Q. That applies to the price

Excise Tax imposed under Federal Liability.

Lubricating Oils

United States of America

This order is effective on and after the 1st July, 1944, the date of publication in the Canada Gazette."

THE COMMISSIONER: What has the effect of that, Mr. Hooper?

BY MR. MONDER: Q. Will you just explain now, Mr. Hooper, what the effect of that is? A. The value at which goods were sold in the United States is reduced by the amount of the processing tax for regular duty purposes.

BY THE COMMISSIONER: Q. It is a reduction? A. It is a reduction of the home market selling price.

Q. Yes, on the market selling price? A. Yes, my lord.

Q. And, consequently, a reduction of the duty assessable here? A. The duty would be the same [illegible].

Q. The duty would be that same in Canada? A. Yes.

BY MR. MONDER: Q. That is, as I understand it, this processing tax was a tax that was added to the price of production in the United States? A. It is an amount paid by the manufacturer when goods are sold in the United States.

Q. Yes, under the [illegible] with.

BY MR. MONDER: Q. That applies to the pa

of the home market? A. Yes, my lord.

BY MR. McRUER: Q. That is, the home market price would be lowered that much? A. Yes.

Q. In estimating the value of it, the value for duty purposes in Canada? A. The processing tax, is, or was 4.2¢ per pound. When you work that out onto a fabric it is more than 4.2; it runs from about 4.4 to 5 cents. When the amount of the processing tax is determined, as it applies to a particular fabric, it may be from 4.4 to 5 cents per pound. Your waste factor is 10% to 30 % and 40%, depending on the yarn in the fabric.

BY MR. McRUER: Q. Then you mentioned on Saturday, Mr. Hooper, surtax on Japanese goods? A. Yes.

THE COMMISSIONER: When you say "Japanese goods" do you mean Japanese cotton goods?

MR. McRUER: All Japanese importations, I understand.

THE WITNESS: On all importations.

MR. McRUER: Then I have a departmental memorandum, my lord, dated 24th July, 1935, which I desire to file.

THE COMMISSIONER: That will be Exhibit 140.

MR. McRUER: What is it?

MR. McRUER: Departmental memorandum of surtax on Japanese Goods.

THE COMMISSIONER: What is the date of it?

MR. McRUER: The 24th July, 1935, my lord.

EXHIBIT 140: Departmental memorandum of surtax on Japanese Goods.

of the home market? A. Yes, my lord.

BY MR. MONDER: Q. That is, the home market pr
would be lowered that much? A. Yes.

Q. In estimating the value of it, the v
for duty purposes in Canada? A. The processing
tax, is, or was 4.24 per pound. When you work th
out onto a fabric it is more than 4.2; it runs fro
about 4.4 to 5 cents. When the amount of the
processing tax is determined, as it applies to a p
ticular fabric, it may be from 4.4 to 5 cents per
Your waste factor is 10% to 20% and 40%, dependin
on the yarn in the fabric.

BY MR. MONDER: Q. Then you mentioned on cotton
Mr. Hooper, duties on Japanese goods? A. Yes.

THE COMMISSIONER: Then you say "Japanese goo
do you mean Japanese cotton goods?

MR. MONDER: All Japanese importations, I wo
stand.

THE COMMISSIONER: On all importations.

MR. MONDER: Then I have a departmental memo-
randum, my lord, dated 24th July, 1935, which I do
to file.

THE COMMISSIONER: That will be Exhibit 140.

EXHIBIT 140:

MR. MONDER: Departmental memorandum of ext
Japanese Goods.

THE COMMISSIONER: The 24th July, 1935, my lord.

EXHIBIT 140: Departmental memorandum o

It reads as follows:

"Memorandum -

DEPARTMENT OF NATIONAL REVENUE, CANADA,

(Customs Division)

Ottawa, 24th July, 1935,

1. Herewith copy of Order in Council (P.C. 2108) passed on the 22nd July, 1935, under the authority of Section 7 of the Customs Tariff, placing on goods the produce or manufacture of Japan a surtax of 33⅓ per cent. ad valorem.

2. This Order in Council applies to goods imported into Canada on and after the 5th August, 1935.

3. The Department interprets this Order in Council as being applicable to all goods which are the growth, produced or manufacture of Japan.

4. The surtax, being a duty, as defined in Section 2 (4) of the Customs Act, is to be included in the "duty paid value," upon which taxes under the Special War Revenue Act are assessed.

5. In cases of doubt as to the application of this Order in Council, collectors will take entries subject to amendment and report full particulars to the department for instructions."

THE COMMISSIONER: That is the surtax we discussed the other day?

MR. McRUER: Yes, my lord.

1. Certified true copy of Order in Council (P.C. 4105) passed on the 22nd July, 1930, under the authority of Section 7 of the Customs Tariff, placing on goods the produce or manufacture of Japan a surtax of 33⅓ per cent. ad valorem.

2. This Order in Council applies to goods imported into Canada on and after the 28th August, 1930.

3. The Department interprets this Order in Council as being applicable to all goods which the growth, produced or manufactured of Japan.

4. The surtax, being a duty, as defined in Section 2 (e) of the Customs Act, is to be included in the "duty paid value," upon which taxes under the General Tax Revenue Act are assessed.

5. In cases of doubt as to the application of this Order in Council, collectors will take entries subject to amendment and report full particulars to the department for instructions.

THE SECRETARY OF STATE. That is the extent of the information we have.

Hansard Reporter says

MR. MEIGHEN: Yes, sir, that.

THE COMMISSIONER: That was in force from July to September.

MR. McRUER: Yes, my Lord. And on the back is a copy of the Order in Council, which I do not think I need read.

BY MR. McRUER: Q. Mr. Hooper, at the time this was passed, I understand that raw silk was admitted to Canada duty free? A. Yes, sir.

BY MR. LANCTOT: Q. You are sure of that?

A. At the time that this was passed.

Q. Oh, yes, not after? A. Oh, no, we did not say that.

BY MR. McRUER: Q. At the time this was passed, raw silk was admitted to Canada duty free? A. Yes, sir.

Q. And, as I understand it, the bulk of the raw silk came from Japan, originated in Japan? A. Yes, sir.

Q. But was imported through the United States? A. Yes, the United States.

THE COMMI SIONER: You are talking now, of course, of natural silk?

MR. McRUER: Yes, my lord, natural silk.

BY MR. McRUER: Q. Then did this surtax apply on the raw silk, the raw natural silk that was imported through the United States but originating in Japan? A. Yes, sir.

Q. I presume that was under Section 3g of this

THE COMMISSIONER: That was in force from Ju

to December.

MR. MONDER: Yes, my Lord. And on th

book is a copy of the order in Council, which I d

not think I need read.

BY MR. MONDER: Q. Mr. Hooper, at the time th

was passed, I understand that raw silk was admitt

to Canada duty free? A. Yes, sir.

BY MR. LAMOTOT: Q. You are sure of that?

A. At the time that this was passed.

Q. Oh, yes, not after? A. Oh, no, we d

not say that.

BY MR. MONDER: Q. At the time this was pass

raw silk was admitted to Canada duty free? A. Y

sir.

Q. And, as I understand it, the bulk of the

raw silk came from Japan, originated in Japan?

A. Yes, sir.

Q. But was imported through the United State

A. Yes, the United States.

THE COMMISSIONER: You are talking now, of

of natural silk?

MR. MONDER: Yes, my Lord, natural silk.

BY MR. MONDER: Q. Was the bulk natural

the raw silk, the raw natural silk that was impo

through the United States but originating in Japa

A. Yes, sir.

Q. I presume that was under section 5, of th

memorandum, which reads:

"The Department interprets the Order in Council as being applicable to all goods which are the growth, produce or manufacture of Japan."

A. Yes, sir.

THE COMMISSIONER: No matter how they come into the country?

MR. McRUER: No matter how they come into the country, my lord..

BY MR. McRUER: Q. What is the position to-day as to Japanese raw silk? A. There is an excise duty tax of 3 per cent.

Q. Was there an excise tax on before this was passed? A. Oh, yes, an excise tax.

Q. But there was no customs duty on it? A. No customs duty, no.

Q. No customs duty, but an excise tax of 3 per cent., and to-day it is in the same position as it was before this order in council was passed? A. It is a little bit different, due to the fixing of the value of the Yen at 39½, for goods of a class or kind manufactured in Canada.

THE COMMISSIONER: What is the rate of exchange?

THE WITNESS: The current rate, my lord, whatever it happens to be; that makes a difference of 25% reduction in excise tax.

Q. There is no artificial fixing of the value?

A. No, no artificial fixing of the value.

BY MR. McRUER: Q. So actually the rate of exchange

commerce, which reads:

"The Department interprets the Order in C
as being applicable to all goods which are the
growth, produce or manufacture of Japan."

A. Yes, sir.

THE COURT MONAHAN: No matter how they come in
the country?

MR. MORAHAN: No matter how they come into the
country, my lord.

BY MR. MORAHAN: Q. What is the position to-da
as to Japanese raw silk? A. There is an excise
duty tax of 3 per cent.

Q. Was there an excise tax on before this was
passed? A. Oh, yes, an excise tax.

Q. But there was no customs duty on it? A. N
customs duty, no.

Q. No customs duty, but an excise tax of 3 per
and to-day it is in the same position as it was bef
this order in council was passed? A. It is a li
bit different, due to the fixing of the value of t
the ad val. The goods of a class or kind manufactu
in Canada.

THE COURT MONAHAN: What is the rate of exchang

THE WITNESS: The current rate, my lord, wh
it happens to be; that makes a difference of 25%
reduction in excise tax.

Q. There is no artificial fixing of the value
A. No, no artificial fixing of the value.

BY MR. MORAHAN: Q. So actually the rate of exc

applicable to-day on raw silk is about 29? A. Yes, sir.

Q. Instead of 39½? A. Yes. Then prior to the date of that,--

THE COMMISSIONER: The 24th of July, 1935?

A. Yes, prior to that the rate of exchange was 49.85.

BY THE COMMISSIONER: Q. That was the proclaimed value at that time? A. Yes, my lord.

BY MR. McRUER: Q. So that prior to the passing of this Order in Council, which provided for the surtax, the rate of exchange applicable on importations of raw silk, that is, raw natural silk from Japan was 49.85 cents. A. Yes.

Q. But the people engaged in importing natural silk from Japan found it more convenient to import it through New York, did they not? A. I have heard two stories. I have heard it was more convenient to import it through New York, and the other story was, that having to pay the excise duty based on the rate of 49.85, it was less expensive to bring it in through New York.

Q. That is what I would have thought, but would they pay the 49.85, or the current rate, when they brought it in through New York? A. They would pay on the fair market value in the country of export, that is, the exporting country, and, of course, in the United States they would not determine their selling price on that proclaimed value.

Q. They would determine it on the current rate

applicable to-day on raw silk is about 30? A. Yes.

Q. Immediately? A. Yes.

prior to the rate of that,--

THE COMMISSIONER: The 24th of July, 1897?

A. Yes, prior to that the rate of exchange was 40.

BY THE COMMISSIONER: Q. That was the proclamation value at that time? A. Yes, my lord.

BY MR. MCMURRICH: Q. So that prior to the passing of this Order in Council, which provided for the payment, the rate of exchange applicable on importations of raw silk, that is, raw natural silk from Japan was 40.65 cents. A. Yes.

Q. But the people engaged in importing natural silk from Japan found it more convenient to import it through New York, did they not? A. I have heard two stories. I have heard it was more convenient to import it through New York, and the other story was that having to pay the excise duty based on the rate of 49.65, it was less expensive to bring it through New York.

Q. That is what I would have thought, but now they pay the 49.65, or the current rate, when they brought it in through New York? A. They would pay on the fair market value in the country of export, that is, the exporting country, and, of course, in United States they would not determine their sell price on that proclaimed value.

Q. They would determine it on the current rate

of exchange? A. Yes, they would determine it on the current rate of exchange in New York.

Q. The man dealing in raw silk in New York would buy from Japan on the current rate of exchange and would export to Canada on the prevailing rate between Canada and the United States? A. Yes.

Q. On the dollar basis? A. Yes.

Q. So that the net effect of it would rather be, that payment would be made almost on the current rate of exchange between Canada and Japan? A. Yes. Of course, there is a commission in there.

Q. There would be an importer's commission in between? A. Yes.

Q. And the raw silk would be transported from New York to Montreal and Toronto, substantially, under that arrangement? A. Yes, sir.

Q. Prior to that arrangement, have you knowledge as to how much raw silk came into the country? A. I believe that there were many importations directly into Canada from Japan.

Q. Through Vancouver? A. Well, the shipments would come through Vancouver.

Q. How is it coming now since the change has been made? A. Oh, I would say that the period since the change has been made is too short to determine how it is being done now, or to have the importer change from his former method.

THE COMMISSIONER: Have we any figures to show the quantity of raw silk being imported?

of exchange? A. Yes, they would determine it on the current rate of exchange in New York.

Q. The man dealing in raw silk in New York would buy from Japan on the current rate of exchange and would export to Canada on the prevailing rate between Canada and the United States? A. Yes.

Q. On the dollar basis? A. Yes.

Q. So that the net effect on it would rather be, that payment would be made almost on the current rate of exchange between Canada and Japan? A. Of course, there is a commission in there.

Q. There would be an importer's commission in between? A. Yes.

Q. And the raw silk would be transported from New York to Montreal and Toronto, substantially, at that arrangement? A. Yes, sir.

Q. Prior to that arrangement, have you knowledge as to how much raw silk came into the country?

A. I believe that there were many importations direct into Canada from Japan.

Q. Through Vancouver? A. Well, the shipments would come direct /[illegible]/.

Q. How is it coming now since the change has been made? A. Oh, I would say that the period since the change has been made is too short to determine how it is being done now, or to have the importer change from his former method.

THE [illegible]: Have we any figures to show the quantity of raw silk being imported?

MR. McRUER: No, I have not, my lord. I propose going into that; I was sort of dealing with this in department, my lord.

BY MR. McRUER: Q. As a matter of fact, I think you can tell us roughly, Mr. Hooper, as to whether or not there is any raw silk of any importance coming into Canada directly from Japan? A. From the time the proclaimed value became effective, in 1932, or around that date,--

Q. Yes? A. There was nothing to speak of. I know there were a few importations, those that I know of, but there should be others.

Q. And it practically all came through New York? A. Through New York.

MR. McRUER: Then there is attached to this memorandum, a statement of regulations, my lord, which I will read to your Lordship; it will be part of the same exhibit:

(Page 1742 follows)

MR. MONAGH: No, I have not, my lord.

I proposes going into that; I was sort of dealing with this in department, my lord.

BY MR. MONAGH: Q. As a matter of fact, I th you can tell us roughly, Mr. Hooper, as to wheth not there is any raw silk of any importance comi into Canada directly from Japan? A. From t time the proclaimed ratio became effective, in 1 or around that date,--

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Q. And it practically all came through New Yo

A. Through New York.

MR. MONAGH: There there is attached to thi memorandum, a statement of regulations, my lord, which I will read to your Lordship; it will be p of the same exhibit:

(Page 1742 follows)

MR. McRUER: Respecting the application of the surtax on Japanese goods. Regulation 1:

"1. Goods, the product or manufacture of Japan, bonafide contracted for and purchased, and sold by the importer for future delivery either in their imported condition or as goods further processed in Canada, prior to the 22nd July, 1935, shall not, if imported into Canada before the 5th November, 1935, be subject to the surtax prescribed by Order in Council (P.C. 2108); provided that the importer produces satisfactory evidence establishing such purchase and sale prior to the 22nd July, 1935.

2. The surtax shall apply to any article imported into Canada which has been improved or advanced in value by labour in any other country if materials the product or manufacture of Japan constitute more than 50% of the cost of production of the imported article.

3. Invoices of goods manufactured wholly or in part from materials the product or manufacture of Japan, imported into Canada, shall be further certified and signed by the exporters in the following form, namely:

(J)

"Whereas Japanese goods are subject to surtax "in Canada, I certify that not over 50% of the "cost of production of articles included in "this invoice is the product or manufacture "of Japan - except articles opposite which the

MR. MORTON: Respecting the applicability of the surtax on Japanese goods, resolution 1:

"1. Goods, the product or manufacture of Japan, bonafide contracted for and purchased and sold by the importer for future delivery in their imported condition or as goods further processed in Canada, prior to the 22nd July, shall not, if imported into Canada before the 4th November, 1926, be subject to the surtax prescribed by Order in Council (P.C. 2108); provided that the importer produces satisfactory evidence establishing such purchase and sale prior to the 22nd July, 1926.

2. The surtax shall apply to any article imported into Canada which has been improved or advanced in value by labour in any other country if materials the product or manufacture of Japan constitute more than 50% of the cost of production of the imported article.

3. Invoices of goods manufactured wholly or in part from materials the product or manufacture of Japan, imported into Canada, shall be further certified and signed by the exporters in the following form, namely:

(1)

"Whereas Japanese goods are subject to surtax "in Canada, I certify that not over 50% of the "cost of production of articles included in

"this invoice is the product or manufacture

"of Japan - except articles specially which

"word 'Japan' is written on this invoice."

and a place for the signature of the Exporter.

Then "Explanatory Notes,"

" The above certificate "J" may be added as the last clause of the certificates of origin heretofore prescribed or may be certified to separately on the invoice."

And then a further memorandum dated the 30th of December, 1935, is attached.

"Surtax on Japanese Goods

" By Order in Council the surtax imposed under the regulations made by Order in Council (P.C. 2108) of the 22nd July, 1935, as modified by Order in Council (P.C. 2317) of the 3rd August, 1935, upon articles the growth, produce or manufacture of Japan, when imported into Canada, is suspended on the said articles on and after the 1st January, 1936.

This will apply to all such articles imported or taken out of warehouse for consumption on and after the 1st January, 1936, and also to articles previously imported for which no entry for consumption was made before that date.

Q. Now, this refers to a modifying Order in Council, P.C. 2317 of the 3rd of August. Do you know anything about that?

THE COMMISSIONER: It is not on that fyle?

MR. McRUER: No.

"word 'Japan' is written on this invoice.
and a place for the signature of the Exporter.
Then "Explanatory Notes."

" The above certificate "1" may be sig
as the last clause of the certificate o
origin heretofore prescribed or may be
certified to separately on the invoice."
And then a further memorandum dated the 20th o
December, 1926, is attached.

"Surtax on Japanese Goods

" By Order in Council the surtax impo
under the regulations made by Order in
Council (P.C. 2108) of the 22nd July,
as modified by order in Council (P.C.
of the 3rd August, 1926, upon articles
growth, produce or manufacture of Japan
when imported into Canada, is suspended
the said articles on and after the 1st
January, 1926.

This will apply to all such artic
imported or taken out of warehouse for
consumption on and after the 1st January,
and also to articles previously importe
which no entry for consumption was made
before that date.

Q. Now, this refers to a modifying order in
Council, P.C. 2217 of the 3rd of August. Do you
know anything about that?

THE COMMISSIONER: It is not on that file?

MR. MONDRE: No.

THE COMMISSIONER: You better add it.

MR. McRUER: It refers to P.C. 2108 of the 22nd July, 1935, as modified by Order in Council P.C. 2317 of the 3rd of August, 1935. So that will you make inquiries and get copy of P.C. 2317, Mr. Hooper, and we will add it to this file later.

In reference to Exhibit 137, my Lord, this deal that is the memorandum of Customs Law. It has not got the Customs' tariff Act in it. I think I shall have to procure that and add it to it.

THE COMMISSIONER: Well, is the Order in Counsel you just referred to, is it in this,

MR. McRUER: No.

THE COMMISSIONER: It should be added to this as well.

MR. McRUER: I will have the Custom's Tariff Act added as well, Section 6 particularly.

Your Lordship will recollect that on Friday we did not file the statement in regard to the Tariff rates on Cotton Yarns because there was a slight difference between Mr. Hooper and Mr. Berry in regard to one or two items and I asked to withhold it in the meantime. So that I now have a memo in regard to the Tariff Rates on Cotton Yarn which I would like to file.

THE COMMISSIONER: Just Cotton Yarn, is it?

MR. McRUER: Yes, my Lord. It reads as follows:

" TARIFF RATES ON COTTON YARNS,

SINCE 1907.

This statement deals with single and ply cotton yarns, other than mercerized, imported under Tariff Items No. 522, 522-c and 522-a.

MR. MORDER: It refers to P.C. 2108 of the 24th July, 1958, as modified by Order in Council P.C. 1958 of the 3rd of August, 1958. So that will you make inquiries and get copy of P.C. 2817, Mr. Hooper, and we will add it to this file later.

In reference to Exhibit 127, my Lord, this that is the memorandum of Customs Law. It has no the Customs' tariff Act in it. I think I shall to produce that and add it to it.

THE COMMISSIONER: Well, is the Order in Co you just referred to, is it in this.

MR. MORDER: No.

THE COMMISSIONER: It should be added to th as well.

MR. MORDER: I will have the Custom's Tariff added as well, Section 6 particularly.

Your Lordship will recollect that on Friday we did get this the statement in regard to the Tariff rates on Cotton Yarns because there was a slight difference between Mr. Hooper and Mr. Berry in re to one of the items and I asked to verify it in meantime. So that I now have a memo in regard t Tariff Rates on Cotton Yarns which I would like to

THE COMMISSIONER: Just Cotton Yarn, is it

MR. MORDER: Yes, my Lord. It reads as f

" TARIFF RATES ON COTTON YARNS.

FIBRE LAST.

Pile elastomer Ascia with single and pig cotton yarns, other than mercerized, import

Tariff Items No. 522, 522-a and 522-a.

"other than mercerized" is important there, my Lord, because they come in a little differently.

Yarns coarser than 40's were dealt with as follows:

	British Pref.	Intermediate	General
1907: Single or Ply -	17½%	22½%	25%
1922: Single or ply -	15%	22½%	25%

NOTE: The above was an actual reduction of 2½% under the British Preferential Tariff, as the 10% discount was not in force until a year later.

1928: Ply yarns only -	15%	22½%	25%"

That seems to be the same there, all ply yarns only.

"1930: Ply yarns only:	15%	22½%	25%
and, per pound	3¢	3½¢	4¢
1932 to date:			
(Tariff item No.522-c, Ply yarns general) and	15%	22½%	25%
per pound	2¢	3½¢	4¢"

The specific was reduced from 3¢ to 2¢; that is the only change. It remained at 15% ad valorem and the specific was 2¢ and the intermediate and general remained the same.

"NOTE: It now becomes necessary to show what happened to single yarns, which are used only by manufacturers, from 1928 to date. From 1928 to 1930 these single yarns were divided into three groups, according to fineness, i.e., number of hanks to the pound, and it

"other than marmalade" is important there, my Lord, because they come in a little differently.

Yarns coarser than 40's were dealt with as follows:

<u>British Rate. Preferential</u>

1907: Single or ply - 17½% 22½%

1908: Single or ply - 15% 22½%

NOTE: The above was an actual reversal on of 22½ under the British Preferential Tariff as the 10% discount was put in force until year later.

<u>1908</u>: Ply yarns only - 17½% 22½%

That seems to be the same there, all ply yarns only.

"<u>1930</u>: Ply yarns only: 15% 22½%
and, per pound 2¢ 3½¢

<u>2382 to date:</u>

(Tariff item No.382-c, 15% 22½%
per pound 2¢ 3½¢

The specific was reduced from 3¢ to 2¢; the only change. It remained at 15% ad valorem

<u>The specific was in and the intermediate</u>

remained the same.

"<u>NOTE</u>: It now becomes necessary to show what happened to ply yarns, which are only by manufacturers, from 1928 to date.

<u>Item 1416 in 1928 Some single plied</u>

divided into three groups, according to the i.e., number of hanks to the pound, and it

"will be noted that single yarns, 40's and finer, unmercerized, which had previously been free under all tariffs, were allowed free entry under the British Preferential Tariff only. The rates were as follows:

	British Pref.	Interme-diate	General
20 hanks or less per lb.	10%	15%	20%
21 to 40 hanks per lb.	12½%	15%	22½%

In 1930 the above three classes were grouped together and made dutiable at

	(12½%	15%	22½%
and, per pound	(3¢	3½¢	4¢

and from 1932 to date

Tariff Item 522, singles, General	12½%	15%	22½%
and, per pound,	2¢	3½¢	4¢ "

THE WITNESS: That is the general items, general item for the importation of yarn.

THE COMMISSIONER: That is, 552.

THE WITNESS: Yes.

MR. McRUER:

"There was, however, an exception made in the case of these single yarns when imported by manufacturers of knitted goods, the rates from 1930 to date.

Tariff Item 522-a.	12½%	15%	22½%".

There there appears to be no specific duty on those at all? A. Correct.

"For the purpose of genral comparison the foregoing may suffice, but it should be borne

"Will be noted that single yarns, silk and [illegible] unprocessed, which had previously been free all duties, were allowed free entry under British Preferential Tariff only. The rates as follows:

British Preferential Tariff.	Intermediate rate.	
20 denier or less per lb.	10%	15%
21 to 40 denier per lb.	15%	15%

In 1926 the above three classes were grouped together and made dutiable at

one, per pound	(15%) (3%)	15% 3%

and from 1927 to date

Tariff item 528, simplex,

and, per pound,	44	44%

[illegible]: That is the general item.

[illegible]neral item for the importation of yarn.

[illegible]: That is, 528.

[illegible] "ITNESS: Yes.

[illegible]:

[illegible], [illegible] the case of these single yarns when imported by manufacturers of knitted goods, the rates from 1920 to date.

Tariff item [illegible]. 1924 1926 [illegible]

There there appears to be no specific duty on the [illegible] silk [illegible].

[illegible]

"[illegible] of [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible]

"in mind that this statement is inadequate to deal with any other cases".

THE COMMISSIONER: Q. Who added that on?

A. I added it on.

MR. McRUER: Q. Is there some observation you want to make? A. May be you want to point this out to the Lordship, what different items were there.

Q. There are several other items of a more specific character. A. Yes.

Q. This deals with the ordinary general run of goods. A. Yes, sir.

Q. Then there are other items such as - as an example, mercerized thread. A. Yes.

Q. And yarns imported for making fine thread, A.Yes. Yarns imported for mercerizing.

Q. And that sort of thing that we will deal with specifically later on, but this is the general type of yarns that are used in weaving grey goods and that sort of things? A. Yes.

EXHIBIT 141: Tariff Rates on Cotton Yarns, since 1907.

CROSS EXAMINATION BY MR. LANCTOT:

Q. Friday with your testimony you have produced as Exhibit 125 an invoice for duty on rayon at 25¢ a pound.

THE COMMISSIONER: Exhibit 125 is a memo, practical effect ---

MR. LANCTOT: Yes, memo practical effect

"in mind that this agreement is inadequate to deal with any other cases".

THE COMMISSIONER: Q. Who added that on?

A. I added it on.

MR. MONTGOMERY: Q. In these cross-examination you want to make? A. May be you want to point this out to the Tribunal, what different items were the

Q. There are several other items of a more specific character. A. Yes.

Q. This deals with the ordinary general run of goods. A. Yes, sir.

Q. Then there are other items such as - as an example, mercerized thread. A. Yes.

Q. And yarns imported for making fine thread, A.Yes. Yarns imported for mercerizing.

Q. And that sort of thing that we will deal with specifically later on, but this is the general type of yarns that are used in weaving grey goods and that sort of things? A. Yes.

MR.MONTGOMERY: Perhaps you can finish your examination.

CROSS-EXAMINATION BY MR. LAFFERTY:

Q. Dealing with your statement that you produced as Exhibit 125 an invoice for duty on yarns at 25¢ a pound.

THE COMMISSIONER: Exhibit 125 is a mere practical effect ----

MR. LAFFERTY: Yes, mere practical effect

of P.C.3013, during the surtax. This was calculation on rayon fabric in Japan, selling price in Japan, 25¢ a pound. A. Yes, sir.

Q. In 1935, is it not true that the typical importation from Japan was nearly 70¢ a pound? A. What is your first question again?

Q. You have figured duties on import of rayon from Japan at 25¢. A. On importation.

Q. Yes. A. No.

THE COMMISSIONER: He showed us, I believe, that the duty would be $1.95.

MR. LANCTOT: Q. What I would like to know from you if in 1935 the typical import on rayon fabric from Japan was or was not considered at least around 75¢ a pound.

MR. McRUER: Around which?

MR. LANCTOT: Around 70¢ a pound.

THE WITNESS: The quotations that I have seen show that the fair market value or the selling price in Japan was, when computed at the current rate of exchange, 25¢ a pound.

Q. On the example which you have given. A. I gave that example? It should be noted that that is not an importation at that date.

Q. Oh, then that rayon fabric at 25¢ a pound was not being imported from Japan. A. Oh, no, the surtax was on.

THE COMMISSIONER: Q. You said it made it prohibitive? A. Yes.

of P.E.A.M.A. during the inquiry. This was evaluated on rayon fabric in Japan, selling price in Japan, 28¢ a pound. A. Yes, sir.

Q. In 1935, is it not true that the typical importation from Japan was nearly 75¢ a pound?

A. What is your first question again?

Q. You have figured duties on import of rayon from Japan at 28¢. A. On importation.

Q. Yes. A. No.

THE COMMISSIONER: In answer to, I believe, that the duty would be $1.95.

MR. LAMOTOT: Q. What I would like to know from you if in 1935 the typical import on rayon fabric from Japan was or was not considered at less around 75¢ a pound.

MR. [illegible]: [illegible]

MR. [illegible]: [illegible] a pound.

THE WITNESS: The quotations that I have seen show that the fair market value or the selling price in Japan was, when converted at the current rate of exchange, 12¢ a pound.

Q. On the example which you have given.

A. I gave that example? It should be noted that that is not an importation at that date.

Q. Oh, then that rayon fabric at 12¢ a pound was not being imported from Japan. A. Oh, no, the surtax was on.

THE COMMISSIONER: Q. You said it made it prohibitive? A. Yes.

MR. LANCTOT: Q. I am speaking of 1935 - that does not mean necessarily from the 5th of August to the 31st of December, 1935? A. You want to go back before August?

Q. Yes, I want to know what was the typical fabric, what was the ordinary price of rayon being imported from Japan.

MR. McRUER: Of course, this is not filed for the purpose of showing ordinary price of rayon or prices in Japan. It is filed to show what amount of duty would have to be paid on an article.

THE COMMISSIONER: I know. Let me settle it this way: You gave us the other day these facts - that if the price of an article is 25 cents the duty would be $1.95? A. Yes.

Q. Now, does that mean if the price of the article was 70 cents the duty would be, say, $5.80, about? A. No, if the price was 70 cents, my lord, it would make no difference, there would be a slightly lower dumping duty, the duty would be the same. I think Mr. Lanctot---

MR. LANCTOT: No, I will tell you what I think.

Q. Then in answer to what the learned Judge said, will you take computation of this invoice on 70 cents a pound rayon, and at 25 cents rayon, and you will answer directly to the Judge what figures?

A. Yes, I said there would be a difference in dumping duties. There is a difference of 7½ cents on dumping

MR. LANGTOT: Q. I am speaking of 1955 - th
does not mean necessarily from the 5th of August
the 31st of December, 1955? A. You want
back before August?

Q. Yes, I want to know what was the typical
fabric, what was the ordinary price of rayon bei
imported from Japan.

MR. MORGAN: Of course, this is not filed f
the purpose of showing ordinary price of rayon o
prices in Japan. It is filed to show what amo
duty would have to be paid on an article.

THE COMMISSIONER: I know. Let me settle i
this way: You gave us the other day these facts
that if the price of an article is 55 cents the
would be $1.95? A. Yes.

Q. Now, does that mean if the price of the
article was 70 cents the duty would be, say, 35.
about? A. No, if the price was 70 cents, m
it would make no difference, there would be a si
lower dumping duty, the duty would be the same.
think Mr. Langtot---

MR. LANGTOT: No, I will tell you what I th

Q. Then in answer to what the learned Tang
said, will you take computation of this invoice
Yu Kanta a pound rayon, 144 at 55 cents Japan,
will answer directly to the Judge what figures

A. Yes, I said there would be a difference in du
dollars. There is a difference of 7½ cents on du

duty.

THE COMMISSIONER: Q. What did you say? A. There would be no difference in the regular duty at all, there would be a difference in dumping duty because 70¢ would raise the value about 50%, which is 7-1/2¢ more. So that there would be 7-1/2¢ less dumping duty.

Q. How high have you to go until you get down to this obstruction of the dumping duty? When does the dumping duty cease to prevail? A. The dumping duty ceases after the selling price is lower than 62-1/2.

MR. McRUER: 62-1/2¢/ is half $1.25 and it must not be more than 50%.

MR. LANCTOT: I would like to be alone in examining the witness.

THE COMMISSIONER: I must understand.

MR. LANCTOT: Q. Then we were on one point. I have given you this invoice to show to His Lordship that on an article imported from Japan at 25¢ a pound and on another article at 70¢ a pound, first there is, with the surtax, $1.25 charged on the 25¢ and on the 70¢ $1.87-1/2. A. Yes.

Q. That is the answer. A. What do you mean that is the answer? Do you mean the computation is correc t?

Q. The computation is correct so that then it is $1.25 on 25¢ a pound and $1.87-1/2 on 70¢ a pound. Let us come back to what was the typical fabric brought in from Japan during 1935. To refresh your memory I have a letter here - a couple of letters - issued by your department, they are public documents - and I would like you to read this letter.

THE WITNESS: You read it: I know what it is.

MR. LANCTOT: Here is a letter dated Ottawa, 10th January, 1936, Collector of National Revenue, Customs Division.

duty.

THE QUESTIONER: Q. What did you say? A. There would be no difference in the regular duty at all, there would be a difference in dumping duty because 70% would raise the value about 30%, which is 7-1/2% more. So that there would be 7-1/2% less dumping duty.

Q. How high have you to go until you get down to this obstruction of the dumping duty? When does the dumping duty come in practice? A. The dumping duty comes after the selling price is lower than 82-1/2.

MR. MONTGOMERY: 82-1/2% is half $1.65 and it must not more than 50%.

MR. LAFORMET: I would like to be alone in examining the witness.

THE QUESTIONER: I must understand.

MR. LAFORMET: Q. Then we were on one point. I have given you this invoice to show to His Lordship that on an article imported from Japan at 25% a pound and on another article at 70% a pound, first there is, with the surtax, $1.25 charged on the 25% and on the 70% $1.37-1/2. Is that?

A. That is the answer. Q. What do you mean that is the answer? Do you mean the computation is correct?

Q. The computation is correct so that then 1½ $1.25 on 25% a pound and $1.37-1/2 on 70% a pound. Let us come back to what was the typical fabric brought in from Japan during 1925. To refresh your memory I have a letter here a couple of letters - issued by your department, they are public documents - and I would like you to read this letter.

THE WITNESS: You read it: I know what is in.

MR. LAFORMET: Here is a letter dated Ottawa, [illegible] Director of National Revenue, Customs Dutie

"Subject: Value of Artificial Silk Fabrics from Japan."
This is addressed by the Commissioner of Customs? A. You say it is written by the Commissioner?

Q. Well, it is for the Commissioner. A. Yes, for the Commissioner.

Q. I want you to correct me in case of inaccuracies.

"It has come to the attention of the Department that on shipments of artificial silk fabrics of Japanese origin exporters may show on Customs invoices lower values than previously certified to.
You are requested to carefully appraise importations of the above mentioned goods. In this connection you may refer to Customs invoices covering importations of similar goods made during 1934 and 1935, or examine relevant data at the offices of the importer, and if it is found that the values certified to are not correlative the importer should be invited to give or obtain a statement as to the reason for any reduction in values certified to.
I am enclosing a sample - a 27' fabric weighing approximately - - -"

THE COMMISSIONER: A 27' fabric - what does the 27 mean?

THE WITNESS: That is 27 inches.

MR. LANCTOT:

"I am enclosing a sample -- a 27' fabric weighing approximately 9 yards per pound, which was imported during 1935. The value certified to was approximately Yen 8.00 par a piece of 50 yards.

Please report to the Department entry numbers, number and amount of amending entries, and also your findings in respect to fair market value.

"Subject: Value of Artificial Silk Fabrics from Japan."

This is addressed by the Commissioner of Customs? A. Yo
may it be written by the Commissioner?

C. Well, it is for the Commissioner. A. Yes, for
the Commissioner.

A. I want you to correct me in case of incorrectness
"It has come to the attention of the Department
that on shipments of artificial silk fabrics of
Japanese origin exporters may show on Customs invoi
lower values than previously certified to.
You are requested to carefully scrutiny importations
of the above mentioned goods. In this connection
you may refer to Customs invoices covering importatio
of similar goods made during 1924 and 1925, or examin
relevant data at the offices of the importer;
and if it is found that the values certified to are n
correlative the importer should be invited to give or
obtain a statement as to the reason for any reduction

[illegible]

I am enclosing a sample - a 27' fabric weighing
approximately - - -"

THE COMMISSIONER: A 27' fabric - what does the 27

THE WITNESS: That is 27 inches.

[illegible]

"I am enclosing a sample -- a 27' fabric weighing
approximately [illegible]
during 1925. The value certified to was approximatel
Yen 5.00 per a piece of 30 yards.

[illegible]

[illegible] amount of wrapping entries, and also your

"Please advise immediately all known importers of fabrics that importations will be subject to appraisal, and they may be called on to amend entries."

Q. Now, let us come to the sense of the typical fabric referred to in this letter. I would like you to check me on that. On the second page of this letter, which I will produce as an exhibit, you will see that the Japanese cloth would come per pound at 69.6. His department or the department advised the appraisers on a fabric which is supposed to be the typical one in 1935, and it is written in January 1936 - why would the Department use 70¢ a pound ? A. What does it say there again? What did they advise the appraisers?

Q. Well, you have the letter - will you read the letter? A. "I am enclosing a sample — a 27' fabric weighing approximately 9 yards per pound, which was imported during 1935. The value certified to was approximately Yen 8.00 par a piece of 30 yards."

Q. What is that per pound? I want to know what it is per pound and if my figures on the second page are right and then - - -? A. You said that the appraisers were told those fabrics were worth so much, did not you?

Q. Well, I would say that there is a reference in the third paragraph of this letter, which will be produced as Exhibit 142.

THE COMMISSIONER: You are putting in this letter?

MR. LANCTOT: Yes, My. Lord.

THE COMMISSIONER: Are you attaching something to it?

MR. LANCTOT: The figuring.

Q. What I want from you I want you to check from

"please advise immediately all known importers of fabrics that importations will be subject to appraisal and they may be called on to remove entries."

Q. Now, let us come to the sense of the typical fabric referred to in this letter. I would like you to [illegible] truly. [illegible] which I will produce as an exhibit, you will see that [illegible] Japanese cloth would come per pound at 69.6. [illegible] or the department advised the appraisers on a fabric which is supposed to be the typical one in 1935, and it is written in January 1936 - why would the department use 70¢ a pound?

A. What does it say there again? What did they advise the appraisers?

Q. Well, you have the letter - will you read the letter? A. "I am enclosing a sample -- a 87' fabric imported during 1935. The value certified to was [illegible] per [illegible] yards."

Q. Why is that [illegible]

it is our usual [illegible] of my figures on the normal [illegible] [illegible] - - -" A. [illegible] and 1934 [illegible] [illegible]

Q. Well, I would say that there is a difference in the value of this fabric, which will be [illegible] by testing it.

THE QUESTIONER: You are quoting in this letter [illegible]

MR. LAMOUTT: Yes, My. Lord.

THE QUESTIONER: Are you [illegible]

MR. LAMOUTT: The figures.

Q. What I want from you I want you to choose

my figures on the second page of Exhibit 142. The letter is dated Ottawa, 10th January, 1936 and addressed to the Collector of National Revenue, Customs Division, and with heading: "Subject: Value of Artificial Silk Fabrics from Japan." I want this from you now: In that third paragraph there is referred to a piece of cloth 27 inches and at 8.00 Yen par a piece of 30 yards. I am not an expert, I cannot figure in pounds, what this would mean in Canadian money and I have it figured on the second page. I want you to tell me if those figures are correct or not. A. If you will give me a piece of paper I might work them out for you.

Q. I will do it with pleasure. (Hands the witness a piece of paper.)? A. What value do you take the yen at?

Q. I will take it 8.00 yen par a piece of 30 yards. A. What value do you take the Yen at?

Q. The Yen we will take it at 29. We marked it here 29 - 8.00 Yen at 29 equals $2.32? A. That looks to be alright.

Q. Now, 30.9 fraction point costs $2.32 in Japan, one pound costs 69.6.- - -

THE COMMISSIONER: The duty on that would be $1.87?

MR. LANCTOT: Now, I will bring the invoice in.

EXHIBIT 142. Letter dated Ottawa, 10th January 1936, Department of National Revenue, and attached computation re Japanese cloth.

Q. This letter, Exhibit 142, shows that your department for 1935 was considering Japanese cloth or fabrics brought in more nearer 70 cents than 25 cents. A. The Department was considering?

my figures on the second page of exhibit 145. The letter is dated Ottawa, 10th January, 1950 and addressed to the Commissioner of National Revenue, Business Division, and it reads: "Subject: Value to Canadian Fish Products from Japan." I want this from you now: In that third paragraph there is referred to a piece of cloth 27 inches and at 8.00 Yen per a piece of 30 yards. I am not an expe I cannot figure in pounds what this would mean in Canadian money and I have it figured on the second page. I want yo to tell me if these figures are correct or not. A. If y will give me a piece of paper I might work them out for you

Q. I will do it with pleasure. (Hands the witness a piece of paper.)? A. What value do you take the yen at?

Q. I will take it 8.00 yen per a piece of 30 yards.

A. What value do you take the Yen at?

Q. Yen for one dollar is at 42. [illegible]

30 - 8.00 Yen at 30 equals 24.00? A. That looks to be right.

Q. Now, 30.0 fraction point costs $4.00 in Japan, one pound costs 80.6.- - -

THE COMMISSIONER: The duty on that would be 1.072

MR. LAMONT: Now, I will bring the invoice in.

MARKING EXH. letter dated Ottawa, 10th January 195 Department of National Revenue, and comparation re Japanese cloth.

Q. This letter, Exhibit 145, shows that your department for 1950 was considering Japanese cloth or fabrics brou in more nearer 20 cents than 25 cents. A. The Department was considering.

Q. Yes. A. Oh, no.

Q. Anyhow, they were giving as an example in that Exhibit 142, they were giving as an example a cloth or fabric of around 70 cents a pound. A. Do you know if it is the same fabric?

Q. Well, I am not discussing fabric; I am discussing what was the typical fabric brought in and the price then in 1935. I do not want to know what that means to-day - if this 70 cents a pound fabric is now sold at 25 cents a pound - I want to know from 1935? A. What the 25 cents - - -

Q. The senventy cents - typical fabric - - -

A. I don't know what the word "typical" means.

Q. You should know what it means. It is what is being imported if there is any importation. A. You want to know what was imported in 1935?

Q. What was being imported in 1935? A. There was some fabrics imported in 1935 and in 1934 at 8.00 Yen for a 30 yard piece as stated in that letter.

Q. Well, - - -

THE COMMISSIONER: Q. You ~~xxx~~ said there was some?

A. Yes.

LANCTOT: Q. That means around 70 cents a pound instead of 25 cents a pound - - -

MR. McRUER: Just a moment. Excuse me.

MR. LANCTOT: Why do not you take a note of what we did. We did not interrupt you?

MR. McRUER: I do not think that we should have the record cluttered up with statements made ~~that~~ as Mr. Lanctot has made that that means that the price was 70 cents a pound.

A. Yes. Q. Oh, no.

Q. Anyhow, they were giving as an example in that exhibit 142, they were giving as an example a cloth or fabric of around 70 cents a pound. A. Do you know if it is the same fabric?

Q. Well, I am not discussing fabric; I am discussing what was the typical fabric brought in and the price then in 1955. I do not want to know what that means to-day - if this 70 cents a pound fabric is now sold at 25 cents a pound - I want to know from 1955? A. What [illegible] - - -

Q. The [illegible] - typical fabric - - -

A. I don't know what the word "typical" means.

Q. You should know what it means. It is what is being imported if there is any importation. A. You want to know what was imported in 1955?

Q. What was being imported in 1955? A. There was some fabrics imported in 1955 and in 1956 at $.00 Yon for a 30 yard piece as stated in that letter.

Q. Well, - - -

THE COMMISSIONER: Q. You said there was some?

A. Yes.

LAMOTOT: Q. That means around 70 cents a pound [illegible] - - -

[illegible]: That's a comment. [illegible]

MR. LAMOTOT: Why do not you take a note of what we said. We did not interrupt you?

MR. McNURE: I do not think that we should have the [illegible] [illegible] Q. [illegible] [illegible] that there was the price was 70 cents a pound.

Then that coupled with another question of Mr. Hooper taken as an answer to that. I do not think it means anything of the kind, it only means there was an importation.

(Page 1760 follows.)

Then that coupled with another mention of Mr. Hooper taken as an answer to that. I do not think it means anything of the kind, it only means there was an importation.

(Page 1760 follows.)

BY THE COMMISSIONER: Well, Mr.Hooper has gone this far; he has explained -- he has said there were some importations at 8 cents? A. At 8 yen, my lord.

Q. I mean 8 yen; I don't know how many. Were ther more at eight yen than at the equivalent of 25 cents? A. There were none at 25 cents, my lord.

MR. McRUER: I did not put that as an indication of the price they were --

THE COMMISSIONER: Pardon me, the effect of it was prohibitive, according toMr. Hooper.

MR. LANGTOT: I am satisfied with that, my lord. There was none. Let us come then, now --

BY THE COMMISSIONER: Q. Does it mean then that the only importations, having regard to this regulation,were those that did not have to -- were not met by the dumping duty; is that right? You told us that the dumping duty, applying to the 25 cents a yard fabric, kept it out? A. No, the surtax, my lord.

Q. I mean the surtax. Does it mean then that the price had to be high enough to get rid of the surtax before there were any importations? Does it mean that? A. No, the surtax prohibits all importations.

Q. Why do you say then that the duty against the 25 cent article was such that it kept it out, amounting as it did to $1.95? A. The surtax was included in that computation.

Q. Whereas the duty against the 70 cent article was not high enough -- A. No.

Q. You are not saying that? A. No.

Q. There was no surtax then, was there? A. We had importations early in 1935 before the surtax was put on.

BY THE COMMISSIONER: Well, Mr.Hooper has gone
far; he has explained -- he has said there were so
importations at 6 cents? A. At 8 yen, my l
Q. I mean 8 yen; I don't know how many. Were
more at eight yen than at the equivalent of 25 cen
A. There were none at 25 cents, my lord.
MR. McKAY: I did not put that as an indicati
the price they were --
BY THE COMMISSIONER: Perhaps me, the effect of it
prohibitive, according that. Hooper.
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BY THE COMMISSIONER: Q. Does it mean then th
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duty; is that right? You told us that the dumpin
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A. No, the surtax prohibits all importations.
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25 cent article was such that it kept it out, assum
ing as it did to $1.95? A. The surtax was
ced in that compared to.
Q. Wasn't the duty against the 70 cent arti
was not high enough -- A. No.
Q. You are not saying that? A. No
Q. There was no surtax then, was there?
A. We had importations early in 1920 before the s
was put on.

Q. Then, Mr. McRuer, the importation would be — the first figure at 69 cents was made before the surtax came into effect? A. Yes, my lord.

MR. LANCTOT: Being made in 1935, or during the year 1935.

BY THE COMMISSIONER: Q. Before the surtax came into effect? A. Yes, my lord.

Q. The surtax kept them all out? A. Kept them all out.

BY MR. LANCTOT: Q. Will you now take communication of the duty — of a memo here showing the duty figured on one side at 25 cents a pound and on the other side at 70 cents a pound? Will you check them? A. Those figures are right.

Q. These figures are right; wWill you produce these figures as exhibit 143.

MR. McRUER: Have you got a copy of that?

MR. LANCTOT: Yes.

THE COMMISSIONER: What do they show, Mr. Lanctot?

MR. LANCTOT: 143, my lord is —

THE COMMISSIONER: The same one?

MR. LANCTOT: Yes, the same one I have given you.

THE COMMISSIONER: This is what is added to that letter?

MR. LANCTOT: No, these are our own figures, my lord. We have prepared an invoice with the figures given by Mr. Hooper and we have put in regard to his figures our own of 70 cents a pound, cloth brought in.

BY MR. McRUER: Q. This shows the same thing only the price is 70 cents; this shows how it would work out? A. Yes.

MR. LANCTOT: There will be an answer to the learned judge on the application of the dumping duty also. We will see how it applies. Will you check this; as to the ad

Q. Then, Mr. McGuet, the importation would be —
first figure at 89 cents was made before the surtax came
effect? A. Yes, my lord.

MR. LAMOTOT: Being made in 1925, or during the y
1925.

BY THE COMMISSIONER: Q. Before the surtax came i
effect? A. Yes, my lord.

Q. The surtax knot them all out? A. Kept
all out.

BY MR. LAMOTOT: Q. Will you now take communicat
of the duty — of a memo here showing the duty figured o
side at 25 cents a pound and on the other side at 70 cent
pound? Will you check them? A. Those figu
are right.

Q. These figures are right; will you produce
figures as exhibit 143.

MR. MORUER: Have you got a copy of that?

MR. LAMOTOT: Yes.

THE COMMISSIONER: What do they show, Mr. Lamotot

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70 cents a pound, cloth brought in.

BY MR. MORUER: Q. This shows the same thing only
price is 70 cents; this shows how it would work out?
A. Yes.

MR. LAMOTOT: There will be an answer to Mr. Morue
judge on the application of the dumping duty also. We wi

valorem duty you have in both columns 45 cents --

THE COMMISSIONER: As to what duty?

MR. LANCTOT: As to the ad valorem duty; you have in both columns 45 cents and as to your specific duty you also have 40 cents in both columns and as to the excise you have six cents and six cents. As to the dumping duty, the difference between the proclaimed value of the currency and the yen, on your first column for 25¢ a pound cloth you have one-half of the $1.25 fixed value, 62½¢? A. Right.

Q. And in the other column the only change there is -- in the other column you have 55¢, which is, I understand, not to exceed 50% of the cost price, or is 70¢ less $1.25? A. $1.25 less 70¢.

Q. Which brings 55¢? A. Yes.

Q. By this illustration you note that the dumping duty has no -- on the first column you note that the dumping duty has no effect on the first column, 62½? A. It has no effect?

Q. You do not have to take the difference between the proclaimed value of the yen and the current value of the yen? A. Oh yes, you always do that.--

Q. You do not, since you just take half of the fixed value. A. Just a minute; I haven't finished. You always do that to determine whether it is over 50% or not.

Q. Just to know how you stand, if you should figure by taking half of the $1.25 or if you should take the difference with your price of $1.25?

A. Yes.

ad valorem duty you have in both columns 45 cents --

THE COMMISSIONER: As to what duty?

MR. LAMONT: As to the ad valorem duty; you have in both columns 45 cents and as to your specific duty you also have 40 cents in both columns and as to the [illegible] you have six cents and six cents. As to the [illegible] duty, the difference between the proclaimed value of the currency and the yen, on your first column [illegible] 5½ a pound cloth you have one-half of the $1.50 [illegible]

Q. And in the other column the only change [illegible] is -- in the other column you have 5½, which is [illegible] measurement, not to exceed 50% of the cost price, is 70% less $1.25? A. $1.25 less 70%.

Q. Which brings 5½? A. Yes.

Q. By this illustration you note that the duty [illegible] duty has no -- on the first column you note the [illegible] dumping duty has no effect on the first column.

A. It has no effect?

Q. You do not have to take the difference between the proclaimed value of the yen and the current [illegible] of the yen? A. Oh yes, you always do [illegible]

Q. You do not, since you just take half of [illegible] fixed value. A. Just a minute; I haven't [illegible] [illegible]. You have to do that to determine [illegible] it is over 50% or not.

Q. Just to know how you stand, if you [illegible] figure by taking half of the $1.25 or if you [illegible] the difference with your price of $1.25?

A. Yes.

Q. So, without any surtax you have $1.53½ for the 25 cents per pound cloth and you have $1.46 for the 70 cents a pound cloth? A. Yes.

Q. If you take that in percentage, you can check me on my figures; on your 25 cents, without the surtax, the duty was supposed to be 667%, you see, without the surtax? A. I didn't figure that out, but I guess that looks as though it might be that.

Q. On the 70 cents your duty would come down to 208%? A. Yes, on your 70 cents.

Q. As a matter of fact, the 70 cents is more the picture of what was going on in 1935, when we had the application of the existing tariff then, than the 25 cents? A. Oh, I see; you say there was importation --

BY THE COMMISSIONER: Q. Is that the case now? A. You say -- you are still figuring the surtax, are you?

BY MR. LANCTOT: Q. We will take the surtax now. A. There were no importations at 70 cents.

BY THE COMMISSIONER: Q. You told us that before, that the effect of the surtax was to stop importations. Mr. Lanctot is talking about a time when there were importations? A. He has got it worked out with the surtax on.

Q. I know he has it worked out with the surtax on. Well, that produces something that did not exist. Let us forget it for the moment. When

Q. So, without any surtax you have $1.85 t
the 25 cents per pound cloth and you have $1.45
for the 70 cents a pound cloth? A. Ye

Q. If you take that in percentage, you can
me on my figures; on your 25 cents, without the
tax, the duty was supposed to be 66%, you see,
without the surtax? A. I didn't figure t
out, but I guess that looks as though it might
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Q. On the 70 cents your duty would come down
208%? A. Yes, on your 70 cents.

Q. As a matter of fact, the 70 cents is mu
picture of what was going on in 1930, when we ha
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BY THE COMMISSIONER: Q. Is that the case now
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you?

BY MR. LAMOTOT: Q. We will take the surtax n
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that the effect of the surtax was to stop importa
Mr. Lamotot is talking about a time when there we
import tariffs? A. He has got it worked o
with the surtax on.

Q. I know he has it worked out with the surtax
Q. Well, that proves something that did not
exist. Let us forget it for the moment. When

there was such a thing as importations which was nearest the typical importation, 70 cents or 25 cents? A. When there were importations 70 cents was the value of the selling price in many cases.

Q. In the majority of cases? A. In all cases that I know of.

Q. 70 cents? A. Yes. That was due to a fixed valuation being on these cloths and the exporter would receive more for his goods than the fair market value in Japan. That is the same goods— the same type of goods being imported to-day.

Q. We are going back; Mr. Lanctot is bringing an example at that time when the importations were still going on. That is before the surtax. The 70 cents article then paid $1.46 duty? A. Yes, that is the correct picture, my lord.

Q. Whereas the 25 cent article paid $1.53½ duty? A. Yes, my lord.

Q. Alright. A. Along came the surtax and stopped them both.

BY MR. LANCTOT: Q. There were no 25 cent importations. Now, let us clear our way on the surtax. This Order-In-Council was effective only -- this Order-In-Council produced as exhibit 140 was effective only from the 5th of August as you said to the 31st of December? A. Yes.

Q. 1935? A. Yes.

Q. You know that this 33-1/3 ad valorem additional was a reprisal tax; you know that? It is common knowledge? A. Well, it was put on by the

there was such a thing as importations which was
nearest the typical importation, 70 cents or 26 c
A. When there were importations 70 cents was the
value of the selling price in many cases.

Q. In the majority of cases? A. In all
cases that I know of.

Q. 70 cents? A. Yes. That was due t
a fixed valuation being on these cloths and the c
porter would receive more for his goods than the
fair market value in Japan. That is the same
the same type of goods being imported to-day.

Q. We are going back; Mr. Lamotot is bringing
example at that time when the importations were
going on. That is before the surtax. The 70
article then paid $1.46 duty? A. Yes, the
the correct picture, my lord.

Q. Whereas the 26 cent article paid $1.82 d
A. Yes, my lord.

Q. Alright. A. Along came the surtax an
stopped them both.

BY MR. LAMOTOT: Q. There were no 26 cent imp
tations. Now, let us clear our way on the surt
This Order-In-Council was effective only -- this
Order-In-Council produced as exhibit 140 was eff
only from the 6th of August as you said to the 3
of December? A. Yes.

Q. That? A. Yes.

Q. You know that this 35-1/3 ad valorem addi
was a reprisal tax; you know that? It is commo

government.

BY THE COMMISSIONER: Q. There was a surtax?

A. The surtax was put on by the government.

BY MR. LANCTOT: Q. It is common knowledge; we have seen that everywhere. Rayon goods were supposed to be taxed going to Japan at 50% and this 33-1/3% was a reprisal, but not to exceed naturally, on some of the goods not to exceed 50%, so we would be on the same level as they were towards us?

A. I don't know anything about that.

Q. And you know that the surtax is not what we call in general language a tariff; we do not call that a tariff? A. No.

MR. McRUER: It is war.

BY MR. LANCTOT: Q. Now, you seem to persist in saying that there were no importations during that period from the 5th of August to the end of December. For the sake of accuracy I would just like you to look at -- I will give you the figures?

A. Mr. Lanctot --

Q. I don't want to discuss with you on that.

A. The appraiser's bulletin provides for exemption of certain goods. They may have come in, but there was certainly none that I know of that paid the surtax.

Q. Let us get that very clear on the record. According to the notes I have here during the period from the 5th of August, 1935 to the 31st of December, 1935 there were 90,000 yards of fabric rayon imported. You know that? Do you know that?

government.

BY THE CHAIRMAN: Q. Where was a survey?

A. The survey was put on by the government.

BY MR. LAMONT: Q. It is common knowledge; we have seen that everywhere. Upon works were supposed to be taxed going to Japan at 50% and this DE-[illegible] was a terminal, but not to excess materially, on account of the goods not to exceed 50%, so we would be on the same level as they were towards us?

A. I don't know anything about that.

Q. And you know that the survey is not what we call in general language a tariff; we do not call it a tariff? A. No.

MR. MCPHAIL: It is war.

BY MR. LAMONT: Q. Now, you seem to persist saying that there were no importations during the period from the 5th of August to the end of December. For the sake of accuracy I would just like you to look at -- I will give you the figures?

A. Mr. Lamont --

Q. I don't want to discuss with you on that.

A. The appraiser's bulletin provides for exemption of certain goods. They may have come in, but they were certainly none that I knew of that paid the s[illegible]

Q. Let me get that very clear on the record. According to the notes I have here during the period from the 5th of August, 1939 to the 31st of December 1939 there were 50,000 yards of fabric rayon imported. You know that? Do you know that?

A. I didn't know that 90,000 yards -- I knew that some was imported, but I don't think they paid the surtax on any of those fabrics.

BY MR. McRUER: Q. You see, the point that Mr. Lanctot is trying to make clear is that some parts of this Order-In-Council -- the bulletin did not become applicable until I think some time in November? A. That is right.

Q. Goods that were in bond or in transit, and goods of that sort? A. There is provision in the bulletin for exemption there.

BY MR. LANCTOT: Q. I just want to put these facts so we will have the complete story, so we will have the importations which were made. I did not understand you, Mr. Hooper, to say very clearly there were no importations on which the surtax was applied, but I understood you to say that during that period there were no importations at all?

THE COMMISSIONER: None that paid the surtax.

MR. LANCTOT: Then, it was distinguished. Well, we will get that clear, then. You said in your testimony that you have been in touch with many of the buyers of artificial silk fabrics?
A. Yes, Mr. Lanctot.

Q. I suppose you would expect that if these buyers have goods ordered from a Canadian mill that they will, as honourable people, they will complete their contracts and take delivery? You would expect that? A. Now, wait a minute; you started off on something there and tied me up

A. I didn't know that 90,000 yards -- I knew that
was imported, but I don't think they paid the sur
on any of these fabrics.

BY MR. McLEAN: Q. You see, the point that Mr
Lamotot is trying to make clear is that some part
of this Order-In-Council -- the bulletin did not
become applicable until I think some time in Nove
A. That is right.

Q. Goods that were in bond or in transit, and
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BY MR. LAMOTOT: Q. I just want to put these
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were no importations at all?

THE COMMISSIONER: None that paid the surtax.

MR. LAMOTOT: Then, it was distinguished.
Well, we will get that clear, then. You said in
your evidence that you been in touch with
of the trade generally with Ottawa
A. Yes, Mr. Lamotot.

Q. I suppose you would expect that if these
buyers have goods ordered from a Canadian mill the
they will, as Canadian people, they will
[illegible] and sale [illegible]
suppose that? A. Now, wait a minute
you started off on something there and tied me up

in it, and now you are not on the same story.

Q. Well, I am now on your investigation you made of the market, and as to how the silk --

A. I didn't inquire from any of the buyers as to contracts. No, I did not say that.

Q. What did you do then, exactly; what kind of an investigation did you make? A. About contracts, Mr. McRuer asked me what my understanding on contracts was.

Q. Now, I am asking you only one thing. I do not say you have or have not investigated as to contracts but I asked you with your knowledge of business, were there people, buyers, who would have contracts with a mill --

THE COMMISSIONER: Speak a little louder, Mr. Lanctot.

BY MR. LANCTOT: Q. I am just trying to make this point with you that, knowing the business like you do, and knowing that people in business are honourable, I suppose if they give contracts for rayon fabric, let us say, at the end of 1935, I suppose that these people would make good these contracts and would take delivery during January, February and March? We will assume that? A. I would not assume that.

Q. Would you say that theywould all refuse to take delivery? A. No, If you wanted me to make an investigation of that and find out what actually happened I could do that, but I cannot give you an opinion of what would happen.

Q. Well, we will ask you that, too, because we

in it, and now you are not on the same story.

Q. Well, I am now on your investigation p
of the market, and as to how the milk --

A. I didn't inquire from any of the buyers as t
contracts. No, I did not say that.

Q. What did you do then, exactly, what kin
investigation did you make? A. About con

Mr. McRuer asked me what my understanding on t
was.

Q. Now, I am asking you only one thing. I
not say you have or have not investigated as to
contracts but I asked you with your experience of
business, were there people, buyers, who would b
contracts with a mill --

THE COMMISSIONER: Speak a little louder, Mr.
Martin.

BY Mr. McRUER: Q. I am just trying to make
this point with you that, knowing the business li
you do, and knowing that people in business are h
able, I suppose if they give contracts for milk
fabric, let us say, at the end of 1948, I suppose
that these people would make good these contracts
would take delivery during December, February and
March will arrive then? -- I would not assume th

Q. Would you say that they would all refuse to
take delivery? A. No. If you wanted to
make an investigation of that and find out what h
happened I could do that, but I cannot give you an
opinion as what would happen.

Q. Well, we will ask you that, too, because -

will have to know as to the contracts which were placed with the Canadian manufacturers at the end of the year 1935, as to the delivery? A. Mr. Gordon is in a much better position to answer that question than I am.

Q. Well, he will answer in time.

BY THE COMMISSIONER: Q. If the witness does not know he cannot answer; do you know anything about it? A. He has asked me for an opinion, my lord, and I cannot give that.

Q. You have no grounds for forming any opinion, no knowledge? A. I have no facts of the case, my lord.

BY MR. LANCTOT: Q. Then, I do not insist for any answer from you on matters which you do not know? A. Alright.

Q. So when I ask a question and you don't know, answer me in a friendly way, I don't know.

A. Alright.

Q. I will do the same in cross-examining you. Now, you have testified that orders for artificial silk are placed some time in advance so that goods ordered from Canadian manufacturers during the latter part of last year would to a large extent --

A. Pardon me, where is that?

Q. In your theory of bulk silks -- bulk orders?

A. That might be only a theory.

Q. When you said something about bulk orders and you made a definition as to definite orders and bulk orders? A. What page is that on?

will have to know as to the contracts which were placed with the Canadian manufacturers at the end of the year 1950, as to the delivery? A. Mr. Co[illegible] is in a much better position to answer that questio[illegible] than I am.

Q. Well, he will answer in time.

BY THE COMMISSIONER: Q. If the witness does no[illegible] know he cannot answer; do you know anything about t[illegible]

A. He has asked me for an opinion, my lord, and I [illegible] give that.

Q. You have no grounds for forming any opinio[illegible] no knowledge? A. I have no facts of the co[illegible] my lord.

BY MR. LAMONTAGNE: Q. Then, I do not insist for [illegible] answer from you on matters which you do not know?

A. Alright.

Q. So when I ask a question and you don't kno[illegible] answer me in a friendly way, I don't know.

A. Alright.

Q. I will do the same in cross-examining you.

Now, you have testified that orders for artificial silk are placed some time in advance so that goods ordered from Canadian manufacturers during the la[illegible] part of last year would to a large extent --

A. Pardon me, where is that?

Q. In your theory of bulk sales -- bulk orde[illegible]

A. That might be only a theory.

Q. When you said something about bulk ordere[illegible] and you made a definition as to definite orders a[illegible] bulk orders? A. What page is that on?

Q. I will try to get the page. I should have the reference here. That is page 1648.

"By Mr. McRuer; Can you tell me what bulk orders are; can you tell me what the term bulk order means? A. It is an order placed by a customer with the manufacturer to deliver a quantity of goods at a given price at some future date."

A. I don't see anything there about rayon fabrics.

Q. Well, I understand you are answering into what was the custom then on these textile goods?

A. I think you will see there --

"Q. What company were you with? A. The Barrymore Cloth Company," you note back at line 15 or 16.

Q. Yes, you were asked with what company you were, but now you would say that these orders given to be delivered at a future date would not apply to rayon fabrics, to rayon fabric? A. Mr. Lanctot, I cannot answer to any specific line of goods.

Q. Well then -- A. I could not tell you about the Dominion Textiles contracts in regard to bulk orders on artificial silk fabrics.

Q. So then I am satisfied this will complete your answer to page 1648, when you say something about future date delivery you say that you are not competent -- it is not your line -- you are not competent to answer on that? A. On what.

Q. On orders taken for a future date? A. Yes, I am competent to answer in a general way as to what bulk orders mean.

Q. Then, do you know if it is a fact that bulk

Q. I will try to get the page. I should h
reference here. That is page 1649.

"By Mr. McGuire: Can you tell me what milk c
are; can you tell me what the term milk
means? A. It is an order placed by a
farmer with the manufacturer to deliver a
of goods at a given price at some future
A. I don't see anything there about rayon fabr
Q. Well, I understand you are answering in
was the custom then on these textile goods?
A. I think you will see there --
"Q. What company were you with? A. The
Cloth Company." You note back at line 15
Q. Yes, you were asked with what company yo
You would say that these orders given to be de
at a future date would not apply to rayon fabric
rayon fabric? A. Mr. Lacoste, I can
to any specific line of goods.
Q. Well then -- A. I could not tell you
Dominion Textiles contracts in regard to bulk
artificial milk fabrics.
Q. So then I am satisfied this will complete
answer to page 1649, when you say something abou
date delivery you say that you are not competent
is not your line -- you are not competent to answ
that? A. On what.
Q. On orders taken for a future date?
I am competent to answer in a general way as to
milk orders mean.
Q. Then, do you know if it is a fact that bu

orders are also taken by rayon mills? A. Yes, I know that. They are.

Q. Now, we have gone through a long story to come to that. A. That is not the first question you asked me, though, with regard to that.

Q. If I understood you well, Mr. Hooper, there were importations of rayon fabric from Japan during the three first months of this year amounting to 236,000 yards, in the three months? A. Yes.

Q. You said that you had investigated the entry of dress material; doyou remember you said that? A. Yes.

Q. What do you mean by dress material? A. Material suitable for manufacturing dresses.

Q. The manufacture of dresses? A. Yes.

Q. You did not investigate any other fabric or material than dress? A. I was not asked to investigate any other. We know that some taffetas are coming in. Our importations show that, but we have nothing on there to show importations, that there are any dress materials coming in, so Mr. McRuer asked me to make inquiries. That is what we wanted, to cover this thing fully.

Q. Then, we think that the Commissioner is interested to know that when you were referring to dress materials, that you are saying you saw only an order of $150 worth of dress materials, and that these do not refer to the other fabrics, the other woven fabrics? A. That it did not refer --

orders are also taken by rayon mills?

A. I know that. They are.

Q. Now, we have come through a long entry to that. A. That is not the first question asked me, though, with regard to that.

Q. If I understood you well, Mr. Hooper, there were importations of rayon fabric from Japan during the three first months of this year amounting to 236,000 yards. In the three months? A. Yes.

Q. You said that you had investigated the entry of dress material; doyou remember you said that? A. Yes.

Q. What do you mean by dress material?

A. Material suitable for manufacturing dresses.

Q. The manufacture of dresses? A. No.

Q. You did not investigate any other fabric material than dress? A. I was not asked to investigate any other. We know that some tariffs are coming in. Our importations show that, but have nothing on there to show importations, that are any dress materials coming in, so Mr. Hooper [illegible] Commission. That is what we wanted, [illegible] DUTIES.

Q. Then, we think that the Commissioner is interested to know that when you were returning to dress materials, that you are saying you saw only an order of $100 worth of dress materials, and that these [illegible] refer to the other fabrics, the other woven fabrics? A. That is the all [illegible] --

Q. That it did not refer to the other fabrics?
A. That $150 --

Q. No, what you saw on the market as a result of your investigation. A. No, I won't say that.

Q. What do you say then? A. I have heard at the same time that some taffetas have been ordered, yes, but the records show that the taffetas have been imported and it would only be duplicating it to say that taffetas are being ordered again. They are being ordered again. We can put that into the record if you like.

Q. Now, Mr. Hooper, to let you complete your testimony as to that, them, and tell the Commissioner first of all what you know about what is being imported, and what has been imported from Japan of rayon fabric since the 1st of January?
A. The exhibit dealing with importations sets forth the position as to importations from Japan.

THE COMMISSIONER: What exhibit is that?

MR. LANCTOT: I was under the impression --

MR. McRUER: Exhibit 127.

BY MR. LANCTOT: Q. I was under the impression that you had been to Eatons and Hudsons and Racines and Simpsons and all the large departmental stores?
A. Yes.

Q. And that you have not found there any of the Japanese rayon fabric? A. You understood that?

Q. Yes. A. You should not have.

Q. Then, will you make the statement clear, because I may be hard at understanding certain things at times.

Q. What it did not refer to the other fabri

A. That also --

Q. No, what you saw on the market as a resu
your investigation. A. No, I won't say t

Q. What do you say then? A. I
heard at the same time that some tariffs have b
ordered, yes, but the records show that the tarf
have been imported and it would only be duplicat
it to say that tariffs are being ordered again.
They are being ordered again. We can put the
the record if you like.

Q. Now, Mr. Hooper, to let you complete you
testimony up to that, then, and tell the Commiss
first of all what you know about what is being
imported, and what has been imported from Japan
of rayon fabric since the 1st of January?

A. The exhibit dealing with importations sets fo
the position as to importations from Japan.

THE COMMISSIONER: What exhibit is that?

MR. LAMOTOT: I was under the impression --

MR. MOHUEN: Exhibit 127.

BY MR. LAMOTOT: Q. I was under the impressio
that you had been to Eatons and Hudsons and Ready
and Simpsons and all the large department stor

A. Yes.

Q. And that you have not found there any of
Japanese rayon fabric? A. You misunderst

Q. Yes. A. You should not have.

Q. Then, will you make the statement clear,
I may be hard at understanding certain things at

A. No. I said that this exhibit 127 sets forth the position as to importations and I also said that I made inquiries at the offices of large retail stores and wholesalers and the agents of Japanese exporters and I could find no evidence that dress materials were being purchased, or being imported, or ordered for future delivery. I will add now that taffetas have been re-ordered.

BY THE COMMISSIONER: Q. Re-ordered?

A. Yes, my lord.

Q. You say re-ordered? A. I mean the same importer, or the importer who might be shown on that exhibit 127, or has been included in that exhibit 127, may have ordered some more taffeta.

Q. You do not mean re-ordered; you mean starting to order again? A. Yes, he is starting to order again.

BY MR. LANCTOT: Q. And what is included in the 236,000 yards which have been imported; what is that made up of in a general way? A. That is part of exhibit 127; it is shown there in all detail. It shows there at the bottom, taffetas plain 73,842 yards, taffetas brocaded 148,000.

Q. Yes. A. Let me go on. Brocaded, 148,033, habutai, 500; crepe, 250; satin, 13,440.

Q. Now, you have said of what this lot imported is composed but have you traced some of them being sold? A. Yes, I did. I traced crepes and found that they have not been sold yet.

Q. Did you trace a large part of them, a large

A. No. I said that this exhibit 147 sets forth the position as to importations and I also said that I made inquiries at the offices of large retail and wholesale-retail and the agents of foreign enterprises and I could find no evidence that these materials were being purchased, or being imported, or ordered for future delivery. I will add now that letters have been re-ordered.

BY THE COMMISSIONER: Q. Re-ordered?

A. Yes, re-ordered.

Q. You say re-ordered? A. I mean the importer, or the importer who might be shown on the exhibit 147, or has been influenced in that exhibit may have ordered some more letters.

Q. You do not mean re-ordered; you mean start to order again? A. Yes, he is starting to order again.

BY MR. LAMOUR: Q. And what is included in the 236,000 yards which have been imported; what is made up of in a general way? A. That is of exhibit 147; it is shown there in all detail. It shows there at the bottom, letters plain 73,8 yards, letters broaded 146,000.

Q. Yes. A. Let me go on. Broaded 146,026, lustral, 800; crape, 480; satin, 15,440

Q. Now, you have said at what time lot imported is composed but have you traced some of them beyond? A. Yes, I did. I traced them and found that they have not been sold yet.

Q. Did you trace a large part of them, a le

of the 236,000 yards? A. Of the crepes, 250 yards, they were sample crepes.

Q. Then, it is useless for me to mention the names of people who have goods because you know pretty well that this number of yards is distributed on the market and is being sold now? A. Yes.

Q. You know that. But, you have given figures on the amount of the number of yards imported and you have said that it amounted to only $8,130. The 236,000 yards which have been imported into Canada from Japan during these three months amount in dollars only to $8,130? A. I think the memorandum as it was put in in the first place stated that the value, that the invoice value, 27,560 yen, converted at the current rate of exchange amounted to eight thousand.

Q. Yes, I think that is in your deposition, page 1633 --

"Mr. McRuer: The total in value, my lord, at the invoice value of the yen at 29½¢ is $8,130.26."

But, have you figured the number of cents a yard. If you want to check me on that -- it amounts with this yardage, or these yards that have been imported, to three cents a yard, about. Multiply three by 236,000. A. Yes.

Q. Now, Mr. Hooper, so that the importing -- A. Wait just a minute. You said imported at three cents a yard.

Q. Well, the cost there at three cents a yard. A. The invoice value, the average invoice value is

Q. of the 246,000 yards? A. Of the crepon, you
they were sample crepon.

Q. Then, it is useless for me to mention the
that this number of yards is distributed on the m
and is being sold now? A. Yes.

Q. You know that. But, you have given figu
on the amount of the number of yards imported and
have said that it amounted to only 94,180. The 2
yards which have been imported into Canada from
Japan during these three months amount in dollars
to $8,1507 A. I think the memore
as it was put in in the first place stated that t
value, that the invoice value, 27,660 yen, convert
at the current rate of exchange amounted to eight
thousand.

Q. Yes, I think that is in your deposition,
page 1655 --

"Mr. Monnet: The total in value, my Lord, o
invoice value of the yen at 29½ is $8,180.
But, have you figured the number of cents a yard.
If you want to check me on that -- it amounts wit
yardage, or these yards that have been imported,
to three cents a yard, about. Multiply three b
230,000. A. Yes.

Q. Now, Mr. Hooper, we just the importing -
A. Wait just a minute. You said imported at thr
cents a yard.

Q. Well, the cost there at three cents a ya
A. The invoice value, the average invoice value i

three cents a yard. Put it that way.

Q. The invoice value at three cents a yard, that is their cost there, anyhow. Now, if you take this 236,000 yards at the average Canadian price at 17 cents--

MR. McRUER: Is that the average Canadian price for this kind of stuff?

MR. LANCTOT: On what is being imported; let us assume that for the time being. Then we will show what it is. Then, just multiply that; if you multiply this 236,000 yards at the Canadian price of 17 cents this will make to the manufacturer, the Canadian manufacturer, $46,000? A. You mean if you multiply if by seventeen?

Q. Yes, if you take our price, our Canadian price of 17 cents a yard on that yardage, 236,000 yards, and if you multiply our price, 17 cents a yard, you will come to $46,000.

MR. McRUER: Your price isn't that.

THE WITNESS: You do not make that class of goods, do you?

MR. LANCTOT: Well, we will see.

THE COMMISSIONER: Where do you get the 17 cents a yard, Mr. Lanctot?

MR. LANCTOT: That is the price; I assume that is the price, 17 cents, that it costs us, 17 cents in comparative prices, which we intend to prove, my lord. I think we will establish that our cost, our cost a yard is about 17 cents.

THE COMMISSIONER: You say you have established that?

three cents a yard. Let it be a yr.

Q. The invoice value at three cents a yard is their cost there, sayin. Now, if you take 225,000 yards at the average Quebec price of 1

MR. MONTGM: Is that the average Quebec price for this kind of stuff?

MR. LAMOTOT: Or what is being imported; I assume that for the time being. Then we will see what it is. Then, just multiply that; if you m this 225,000 yards at the Quebec price of 17 c this will make to the manufacturer, the Quebec manufacturer, $38,000? A. You mean if you mult if by seventeen?

A. Yes, if you take our price, our average of 17 cents a yard on that yardage, 225,000 yards if you multiply our price, 17 cents a yard, you c come to $38,000.

MR. MONTGM: Some great lawyer's mind.

THE WITNESS: You do not make that sort of do you?

MR. LAMOTOT: Well, we will see.

THE COMMISSIONER: Where do you get the 17 c a yard, Mr. Lamotot?

MR. LAMOTOT: That is the price; I assume the the price, 17 cents, that it costs us. 17 cents i [illegible] I think we will [illegible] our year. Our [illegible] ayin is about 17 cents.

THE COMMISSIONER: You can [illegible]

LAMOT

MR. LANCTOT: We will. I assume, my lord, that these 236,000 yards at three cents have come here on our market, and have taken the place for our manufacturers and our labour on cloth or fabric at 17 cents a yard.

THE COMMISSIONER: Where do you get the 17 cents?

MR. LANCTOT: Because this is -- Mr. Hooper knows what our prices are.

THE WITNESS: They have a taffeta, my lord, a 27 inch taffeta that sells at around that price.

BY THE COMMISSIONER: Q. What do you mean by "they"? A. The Canadian manufacturers, pardon me.

BY MR. LANCTOT: Q. The Canadian manufacturers have a taffeta at 17 cents a yard and if you take these yards at 17 cents instead of 3 cents a yard then you come to an amount of $43,000 for the Canadian manufacturers, in these imports. I don't know if I understood you well when you said something about bulk orders. I have taken a note here, bulk orders are placed some times in advance for delivery. Bulk orders -- that is what you understood, what you meant, that bulk orders were taken in advance for future delivery? A. Yes, for future delivery.

Q. But don't you take that bulk orders would indicate to a manufacturer what he might expect to deliver at a future date? A. So would last year's experience, just the same thing.

Q. It is about your exhibit 129. I do not see in that exhibit -- I just see that you take shipments? A. Shipments.

Q. Yes, that you do not take in account to compare

Q. LAMONT: We will. I assume, my lord, t
these 486,000 yards at three cents have come here
yesterday, you have taken the figure for our manufacture
and our labour on cloth or tabing at 17 cents a y

THE COMMISSIONER: Where do you get the 17 ce

MR. LAMONT: Because this is -- Mr. Hooper k
what our prices are.

THE WITNESS: They have a tariffs, my lord, a

BY MR. LAMONT: Q. The Canadian manufacturers.
a tariffs at 17 cents a yard and if you take these
yards at 17 cents instead of 3 cents a yard then y
come to an amount of $26,000 for the Canadian manuf
in these imports. I don't know if I understood y
well when you said something about bulk orders. I
have taken a note here, bulk orders are placed some
in advance for delivery. Bulk orders -- that is wh
taken in advance for future delivery? A. Yo
future delivery.

Q. Do you have any bulk orders being
placed in a manufacturer that is placed in
deliver at a future date? A. So would la
year's experience, just the same thing.

Q. It is about your exhibit 129. I do not s
in that exhibit -- I just see that you take shipmen
A. Shipments.

Q. Yes, that you do not take in account to co

January and February of 1935 and January and February of 1936, you have nothing about orders booked, or bulk orders, if you want to call it, call it the way you want. Don't you think it would be better to realize what the trend is, to have booked orders or have bulk orders of the different manufacturers? It would give a better picture of what the effects really are?

A. That is a matter of opinion, isn't it? Here is the actual experience; here are the shipments, deliveries. That shows what the trend is.

Q. Then, my attention was drawn, and I am glad it was, on the figures which were given to you by a manufacturer. Will you take communication of a memo from Canadian Cottons Limited, April 2nd, 1936?

A. Yes.

Q. Mr. Hooper, this memo was sent to you?

A. Yes, sir.

Q. By the Canadian Cottons? A. Yes.

Q. It was sent to you with orders booked. I will produce this, my lord, as exhibit 144.

THE COMMISSIONER: Who does this come from?

MR. LANCTOT: From Canadian Cottons, my lord, dated Montreal, April 2nd, 1936, of rayon fabrics only.

THE COMMISSIONER: Who prepared this statement? I suppose somebody may verify this for us later on from the Canadian Cottons.

MR. LANCTOT: Mr. Hooper has had it already. He has received it previous to his testimony. You had that when you made the memorandum, exhibit 129?

A. This one here?

of 1926, you have nothing about orders booked, o
bulk orders, if you want to call it, call it the
you want. Don't you think it would be better to
what the trend is, to have booked orders or have
orders of the different manufacturers? It woul
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A. That is a matter of opinion, isn't it? Here
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was, on the figures which were given to you by a
manufacturer. Will you take communication of
Dominion Cotton Limited, Montreal, April
A. Yes.

Q. Mr. Hooper, this memo was sent to you?
A. Yes, sir.

A. Yes.

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MR. LAMOUR: From Canadian Cottons, my lord,
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I suppose somebody may verify this for us later
from the Canadian Cottons.

MR. LAMOUR: Mr. Hooper has had it already.
He has received it months in the ordinary.
And then when you made the examination, subject t
A. This one here?

Q. Yes. A. Yes.

Q. You had that information then from Canadian Cottons? A. Yes.

THE COMMISSIONER: You want to make this a separate exhibit, 144?

MR. LANCTOT: I think it would come better if it was with 129.

BY THE COMMISSIONER: Q. Is it now part of 129? A. It is part of 129 at the present time, my lord.

MR. McRUER: The months of January and February; 129 deals with two months, January and February, and I understand that March is in this. January and February are the months in 129.

THE COMMISSIONER: This just goes on further with March.

MR. LANCTOT: 129-A, then.

MR. McRUER: It goes on further with March.

THE COMMISSIONER: It is part of 129 now; we will just leave it that way.

MR. McRUER: No, not as it is.

THE COMMISSIONER: Mr. Hooper tells me it is part of 129, the whole of it, is that right?

THE WITNESS: No, part of it is included in 129.

THE COMMISSIONER: Well, we will make it a separate exhibit, then, and we will know what we are at. 144.

EXHIBIT NO. 144 : Statement of orders booked and shipments, January, February and March, 1935 and 1936, All rayon fabrics only.

Q. Yes. A. Yes.

Q. Do you [illegible] Fox [illegible]

[illegible]? A. Yes.

THE COMMISSIONER: You want to make this a [illegible]

exhibit, Mr?

MR. LAMONT: I think it would come better if

was with 129.

BY THE COMMISSIONER: Q. Is it now part of 129

A. It is part of 129 at the present time, my lord.

MR. MORDEN: The months of January and February

129 deals with two months, January and February.

I understand that which is in this. January and

February are the months in 129.

THE COMMISSIONER: While just [illegible] on further

[illegible].

MR. [illegible] [illegible].

Q. [illegible] 24 [illegible] in [illegible] file [illegible].

THE COMMISSIONER: It is part of 129 now; we

just leave it that way.

MR. [illegible]: No, not as it is.

THE COMMISSIONER: Mr. [illegible] tells me it is

of 129, the whole of it, is that right?

MR. [illegible]: [illegible] it is included in

THE COMMISSIONER: Well, we will make it a

exhibit, then, and we will know what we are at.

144.

EXHIBIT 144 : Statement of [illegible]
booked and [illegible]
January, February
March, 1929 and 30
All Dayton Fabrics

MR. LANCTOT: You took some of your figures to prepare 129 from this exhibit 144. Now, will you --

BY THE COMMISSIONER: Q. Pardon me a moment; now, I suppose when you prepared your exhibit you did not have these March figures, did you, because I see this is dated April 2nd? A. I say this, my lord -- I am trying to find it here, where I brought to your attention that I did not have all -- did have the March figures from all Canadian companies. I believe that was mentioned.

MR. LANCTOT: Yes, Mr. Hooper was very loyal as to that. He said then he could not build his exhibit 129 with the March figures because he did not have all the March figures.

THE COMMISSIONER: Even to-day is only the 6th of April.

THE WITNESS: I have Dominion Textile and I have Montreal Cottons and Canadian Cottons, and I think one other, I believe.

MR. LANCTOT: We are producing this now just to illustrate the figures, which would give a good idea of what the trend is. If you take this exhibit, of which you had a copy, as you said, you will see orders booked for 1935 and for 1936 in January, February and March, and the corresponding months of the other year. You will note that for March, 1935, there were booked orders for 266,163 yards with the Canadian Cottons, Limited, and that in March, 1936, there were only 97,050 yards booked then. You see that?

MR. LAMOTOT: You took some of your figures
prepare L29 from this exhibit 144. Now, will y
BY THE COMMISSIONER: Q. Pardon me a moment:
I suppose when you prepared your exhibit you di
have them before you. Did you, yourself
is dated April 2nd? A. I say this, m
I am trying to find it here, where I brought to
attention that I did not have all -- did have th
figures from all Canadian companies. I believe
that was mentioned.

MR. LAMOTOT: Yes, Mr. Hopper was very loyal
to that. He said then he could not build his
L29 with the Marion figures because he did not ha
the Marion figures.

THE COMMISSIONER: Even to-day is only the st
April.

THE WITNESS: I had Dominion Textile and I ha
Montreal Cottons and Canadian Cottons, and I thi
one other, I believe.

MR. LAMOTOT: We are producing this now just
illustrate the figures, which would give a good
of what the trend is. If you take this exhibit
which you had a copy, as you said, you will see
orders booked for 1935 and for 1936 in January,
and March, and the corresponding months of the o
year. You will note that for March, 1935, there
were booked orders for 466,182 yards with the Cot
Cottons, Limited, and that in March, 1936, there
were only 97,080 yards booked then. You see that

A. This is a new exhibit; I haven't been given this one, have I?

Q. That is just to put these facts before the court ---

MR. McRUER: I don't think this is the same thing at all, is it?

THE WITNESS: Memo 129 does not refer to orders booked.

BY MR. LANCTOT: Q. No, it doesn't; but I have asked you if you thought that orders would help to show the trend of business in rayon fabric goods?

A. Oh, undoubtedly. Are these bulk orders here, or specified orders.

Q. Orders booked. A. Both generally.

Q. Generally both; so I wanted to put before the Commissioner that the figures which you have given as to shipments in 129 would not be sufficient for the judge to know what is the real trend in the business, that there are elements which the booked orders show. We are now considering orders booked by Canadian Cottons which you had with the other things when you made us 129. A. Oh yes, I see.

THE COMMISSIONER: Mr. Lanctot, the difference is explained by the month of March.

THE WITNESS: And also the orders booked, my lord.

BY THE COMMISSIONER: Q. You did not have orders booked? A. I did not make any summary of orders booked.

Q. You made no summary of orders booked and you had nothing at all about March? A. I did not

Q. Why is you complain; I haven't been given
copy of?

A. That is just to put those facts before the
court --

MR. MONK: I don't think this is the same th
at all, is it?

MR. TYNDAL: Memo 120 does not refer to order
booked.

BY MR. LAMONTE: Q. No, it doesn't; but I have
you if you thought that orders would help to show
the trend of business in your table yesterday?
A. Oh, undoubtedly. Are those bulk orders here,
specific orders.

Q. Orders booked. A. Both generally.

Q. Generally both; so I wanted to put before
Commissioner that the figures which you have given
to shipments in July would not be sufficient for th
Judge to know what is the real trend in the busine
that there are cancellations which the booked orders sh
We are now considering orders booked by Canadian
Customs which you has with the other things when y
made us 120? A. Oh yes, I see.

THE COMMISSIONER: Mr. Lenotet, the difference
explained by the month of March.

MR. TYNDAL: And also the orders booked, my lor

BY THE COMMISSIONER: Q. You did not have orde
booked? A. I did not have any [illegible]
[illegible].

Q. You made no comment of [illegible]
[illegible] A. I did not [illegible]

have complete information about March.

BY MR. LANCTOT: Q. Naturally you had orders booked at Dominion Textiles? A. Mr. McRuer dealt with orders booked.

MR. McRUER: There is an exhibit in on that.

THE WITNESS: He did not bring this in as an exhibit on Canadian Cottons.

MR. LANCTOT: No, just on rayons.

THE COMMISSIONER: Pardon me, do not let us get mixed up; 129 deals only with artificial silk fabrics, not with cotton?

MR. LANCTOT: Well, 129 was not dealing with anything else but artificial silk.

THE WITNESS: Silk fabric sales.

THE COMMISSIONER: 129 deals with artificial silks.

THE WITNESS: There is another exhibit for orders booked. Maybe his lordship would like to consider this memorandum as being part of that.

MR. LANCTOT: My lord, Canadian Cottons, Limited, requests fabrics, and then you have some [illegible] of it is not cotton.

THE COMMISSIONER: I know, but you asked the question about the Dominion Textiles and then Mr. Hooper reminds you he is dealing only in exhibit 129 with artificial silk, not with cottons.

MR. LANCTOT: Yes, we all agree on that.

THE COMMISSIONER: I am just pointing that out to you.

BY MR. LANCTOT: Q. So, if you consider this statement from Canadian Cottons, Limited, there is a tremendous difference between orders booked in March, 1935,

have complete information about Merck.

BY MR. LAMOTOT: Q. Notwithstanding you had orders b
at Dominion Textilers? A. Mr. Merck dealt wi
[illegible].

MR. MONDER: There is an exhibit in on that.

THE WITNESS: He did not bring this in as on o
[illegible].

MR. LAMOTOT: No, just on rayons.

THE COMMISSIONER: Pardon me, do not let me g
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THE WITNESS: Silk fabric sales.

THE COMMISSIONER: Lig deals with artificial s

THE WITNESS: There is another exhibit for ord
booked. Maybe his lordship would like to consid
this memorandum as being part of that.

MR. [illegible]: Yes, [illegible]
it is not cotton.

THE COMMISSIONER: I know, but you asked the
about the Dominion Textiles and then Mr. Hooper
you he is dealing only in exhibit 129 with artif
silk, not with cottons.

MR. LAMOTOT: Yes, we all agree on that.

THE COMMISSIONER: I am just pointing that ou

BY MR. LAMOTOT: Q. So, if you consider this
ment from Canadian Cottons, Limited, there is a
done difference between orders booked in March,

and March, 1936, and if you further investigate you may find the same situation with the other manufacturers of rayon fabric? You are liable to find the same situation? A. I don't know that I have made inquiries, but very few of them are able to supply to me any information as to orders booked. They keep their records on deliveries. That seems to be the information they go on.

Q. Then, we claim the privilege, my lord, to bring in as an exhibit the booked orders, orders booked in comparison with the three months of 1935 and 1936.

THE COMMISSIONER: Certainly; your clients can bring in anything they like that they are prepared to verify under oath, certainly..

BY MR. LANCTOT: Q. Now, let us tackle the United States duties; you stated that you were familiar with the United States tariffs on rayon fabrics?
A. Yes.

Q. I think you have made a mistake on the jacquard fabrics, and that you have made a mistake of 10%. It is just for the sake of accuracy that I would like to take that up with you now. According to the United States tariff for the jacquard figured fabrics the charge is supposed to be 45 cents a pound and 70% ad valorem, according to the United States tariff, and you said 60% ad valorem, which would make a mistake of 10%? A. I do not think we mentioned jacquards. We have an example there of plain piece, dyed taffeta, the only example we have worked out to determine the amount of Canadian

and March, 1946, and if you further investigate you may find the same situation with the outer manufacture of rayon fabric? You are liable to find the same situation? A. I don't know that I have inquiries, but very few of them are able to supply to me any information as to orders booked. They keep their records on deliveries. That seems to be the information they go on.

Q. Then, we claim the privilege, my lord, to bring in as an exhibit the booked orders, orders booked in comparison with the gross income of Dom and Dom.

THE COMMISSIONER: Certainly; your clients are trying in anything they like that they are prepared to verify under oath, certainly.

BY MR. LAFLEUR: Q. Now, let me recall the Minutes of Ties; you stated that you were familiar with the United States tariffs on rayon fabrics?

A. Yes.

Q. I think you have made a mistake on the standard tariffs, and that you have made a mistake there. It is just for the sake of accuracy that I would like to make that at as with you now. According to the United States tariff for the January ringed tariffs the charge is supposed to be 45 cents a pound and 70% ad valorem, according to the United States tariff, and you said 60% ad valorem, which would be a mistake of 10%? A. I do not think so mentioned inaccurate. We have an example there of plain piece, dyed taffeta, the only example we have worked out to determine the amount of Commission

duties and I mentioned to his lordship I had worked it out on only one fabric in regard to the United States tariff.

(page 1785 follows)

Q. Then your testimony that the United States tariff, or protection, call it whatever you like,- that the Canadian protection or tariff was higher than the United States tariff is based only on one example? A. Just one example, yes.

Q. That is, you did not make a general statement to that effect?

BY THE COMMISSIONER: What is that one example? A. That plain taffeta that we had worked out with the Canadian duty; that is the one that is worked out there. What is that Exhibit number, Mr. McRuer?

MR.McRUER: Which one is that, Mr. Hooper?

THE WITNESS: On the plain taffeta, on Canadian duties.

MR. McRUER: Oh yes, Exhibit 125.

THE WITNESS: Exhibit 125, my lord.

THE COMMISSIONER: It is called, a memorandum regarding the practical effects of Order in Council.

THE WITNESS: We took that fabric and used that illustration to determine whether the duties were higher in Canada or in the United States.

Q. Well, does it show any general comparison as between Canadian and American duties? A. That might be a guide on a plain weave fabric, but if you bring in a fancy jacquered weave that has a 10 per cent higher duty in the United States than the plain has in the United States, it might work out to be a higher protection in the United States, slightly higher than it is in Canada.

Q. Then your testimony that the United States tariff, or protection, call it whatever you like,- that the Canadian protection or tariff was higher than the United States tariff is based only on one example?

A. Just one example, yes.

Q. That is, you did not make a general statement to that effect?

BY THE COMMISSIONER: What is that one example?

A. That plain taffeta that we had worked out with the Canadian duty; that is the one that is worked out there. What is that Exhibit number, Mr. Hooper?

MR.HOOPER: Which one is that, Mr. Hooper?

THE WITNESS: On the plain taffeta, on Canadian duties.

MR. MORTON: Oh yes, Exhibit 125.

THE WITNESS: Exhibit 125, my lord.

THE COMMISSIONER: It is called, a memorandum regarding the practical effects of order in Council.

THE WITNESS: We took that fabric and used that illustration to determine whether the duties were higher in Canada or in the United States.

Q. Well, does it show any general comparison as between Canadian and American duties? A. That might be a guide on a plain weave fabric, but if you bring in a fancy jacquard weave that has a lower cost labor duty in the United States than the plain weave in the Canadian system, it might not be an exact parallel in the United States, slightly higher than it is in Canada.

I think the only way to determine, - I don't know that we can make a complete picture of the tariffs and find out whether it works out the same in every case. I know it would not. We took an example there, the plain tafetta, and found out that the duties were higher in Canada, the protection was higher in Canada than the United States.

BY MR. LANCTOT: Q. You state that the protection was higher in Canada than in the United States?

THE COMMISSIONER: On this particular article.

BY MR. LANCTOT: Q. On this particular article? A. Yes.

Q. So then we are clear on your statement: What you meant was, that the Canadian tariff happened to be higher on that particular article, but as to the rest, you do not know? A. Oh no, I don't know.

Q. Because you know, as a matter of fact, that we are importing the jacquered fabrics into Canada from Japan? A. Yes.

MR. McRUER: What is a Jacquered fabric?

MR. LANCTOT: That is brocaded.

MR. McRUER: An article that is brocaded?

MR. HEWARD: A special type of brocade, all brocades.

MR. LANCTOT: Jacquered fabrics, that is the general article being imported from Japan into Canada?

THE WITNESS: Yes.

BY MR. LANCTOT: Q. And into the United States too?

I think the only way to determine, - I don't know that we can make a complete picture of the tariff and find out whether it works out the same in every case. I know it would not. We took an example there, the plain taffeta, and found out that the duties were higher in Canada, the protection was higher in Canada than the United States.

MR. LAMOTOT: Q. You state that the protection was higher in Canada than in the United States?

MR. [illegible]: Q. On this particular article?

A. Yes.

Q. So then we are clear on your statement:

[illegible] to be higher on that particular article, but as to the rest, you do not know? A. Oh no, I don't know.

Q. Because you know, as a matter of fact, that [illegible]

A. Yes.

MR. McDONAGH: What is a jacquared fabric?

MR. LAMOTOT: That is brocaded.

MR. McDONAGH: An article that is brocaded?

MR. EWARD: A special type of brocade, all brocades.

MR. LAMOTOT: Jacquared fabrics, that is the [illegible] article being imported from Japan [illegible]

A. Yes.

MR. LAMOTOT: Q. And into the United States [illegible]

A. Yes.

Q. Well now, from your experience, and as to what is common knowledge, you know that in Japan they manufacture certain fabrics or certain cloth which they do not use on the home market? A. Oh, I don't know anything about that.

Q. No? A. No, I cannot tell you. I do not know what they use in Japan. I will have to find that out, but I don't know at the present time.

Q. Well, we will all have to go to Japan to find out what is going on there.

MR. McRUER: To see what they wear.

MR. LANCTOT: Or what they do not wear.

BY MR. LANCTOT: Q. You are aware that in the clause in the United States Tariff, Section 402, sub-section 2, - I have it here, Mr. Hooper, in the book, but I also have an extract which is accurate, and it reads as follows:

> "If the appraiser determines that neither the foreign value nor the export value can be satisfactorily ascertained, then the United States value shall be the value of imported merchandise?"

THE COMMISSIONER: Q. What are you reading from, Mr. Lanctot?

MR. LANCTOT: The witness is reading from the United States tariff, my lord. I just handed him the tariff.

A. Yes.

Q. Well now, from your experience, and as to what is common knowledge, you know that in Japan manufacturers covering textiles or certain cloth which do not use on the home market? A. Oh, I don't know anything about that.

Q. Not? A. No, I cannot tell you. I do not know what they use in Japan. I will have to find out, but I don't know at the present time.

Q. Well, we will all have to go to Japan to find out what is going on there.

Mr. Martin: To see what they want.

Mr. Lamontagne: Or what they do not want.

MR. LAMONTAGNE: Q. You are aware that in the clause in the United States Tariff, Section 402, paragraph 5, - I have it here, Mr. Cooper, in the book but I also have an extract which is accurate, and I speak by subject.

"If the appraiser determines that neither the foreign value nor the export value can be satisfactorily ascertained, then the United States value shall be the value of imported merchandise."

THE COMMISSIONER: Q. What is you reading from Mr. Lamontagne?

MR. LAMONTAGNE: The witness is reading from the United States Tariff, Mr. Ivy. I just handed him the Tariff.

THE WITNESS: I do not find some of those words here.

MR. LANCTOT: There you are.

THE WINTESS: I think it would be better to read Section 402.

MR. LANCTOT: All right, read it off.

THE WITNESS: It reads:

"Sec. 402, Value.

(a) Basis - For the purposes of this Act the value of imported merchandise shall be -

(1) The foreign value or the export value, whichever is higher;

(2) If the appraiser determines that neither the foreign value nor the export value can be satisfactorily ascertained, then the United States value;

(3) If the appraiser determines that neither the foreign value, the export value, nor the United States value can be satisfactorily ascertained, then the cost of production;

(4) In the case of an article with respect to which there is in effect under section 336 a rate of duty based upon the American selling price of a domestic article, then the American selling price of such article."

Then it goes on to explain the different sections of the Act.

BY MR. LANCTOT: Yes. Well then it means this: If you are trying to study the application of the

THE WITNESS: I do not find some of those

MR. LAMOUT: There you are.

THE WITNESS: I think it would be better to

section 40?

MR. LAMOUT: All right, read it out.

THE WITNESS: It reads:

"Sec. 40. Value.

(a) Basis - For the purposes of this act the

of imported merchandise shall be -

(1) The foreign value or the export value,

whichever is higher;

(2) If the appraiser determines that neither

the foreign value nor the export value

United States value;

(3) If the appraiser determines that neither

the foreign value, the export value, nor the

United States value can be satisfactorily

ascertained, then the cost of production;

(4) In the case of an article with respect

to which there is in effect under section 336

a rate of duty based upon the American selling

selling price or such article."

Then it goes on to explain the different sections

MR. LAMOUT.

BY MR. LAMOUT: Yes. Well then it means th

American Tariff you would have to have statistics as to all that has been imported in the States, and on which this clause has been applied, and you cannot compare the tariff very easy then, and make any general remark about it, unless you know that? A. I think we mentioned, that full investigation has not been made in the United States about this thing, and we do not know whether the United States Governmnent are accepting the foreign value or the export value for duty purposes; but we will go into that, as Mr. McRuer pointed out.

Q. Well, now--- A. But you must remember, Mr. Lanctot, that this is the basic principle of the law here, No. 1, just the same as 35 (2) of our Customs Act. It is not quite the same, because it does not define the fair market value.

Q. That is the reason I asked, if you knew that in Japan they are making cloths there that they do not use on their own market?

THE COMMISSIONER: He says he cannot answer that, that he does not know.

BY MR. LANCTOT: Q. So assuming this, when you begin to apply the American tariff to compare with the Canadian tariff, you would have to know the exact answer there, as to the application of the definition you have? A. Well, we have in both cases used the export value, both for the Canadian tariff and the American tariff; If there are other sections of the law operating against Japan and the United States, we can determine that

5 dian Tariff you would have to have statistics
as to all that has been imported in the years, and
on which this clause has been applied, and you cannot
compare the tariff very long, and make any gen
[illegible] ... [illegible] ... [illegible]
we mentioned, that full investigation has not been
in the United States about this thing, and we do not
know whether the United States Government has access
10 the foreign value or the export value for duty purposes
but we will go into that, as Mr. Mosher pointed out.
Q. Well, now---- Q. But you must remember
Mr. Lawson, that this is the basis principle of the
law here, Mr. I, just too same as 25 (2) of our Act.
It is not quite the same, because it does
not define the fair market value.
Q. That is the reason I asked, if you knew
that in Japan they are making cloths there that they
20 do not use in their own market?
THE COMMISSIONER: He says he cannot answer that
that he does not know.
BY MR. LAWSON: So assuming this, when you
begin to apply the American tariff to compare with the
25 Canadian tariff, you would have to know the exact an
there, as to the application of the definition you h
A. Well, we have in both cases used the export value
[illegible]
30 [illegible] States, we can determine that

afterwards. That might change the picture then.

Q. I want to be very clear: You cannot say that the Canadian tariff is higher than the American tariff, and you cannot say that it is lower? A. On that fabric, using the export or invoice value, yes.

Q. Just on one fabric, you have come to that conclusion for a special fabric? A. On a special fabric. We have not come to any conclusion, we have definitely stated that it is higher.

Q. Let me understand your evidence. You gave me the impression, at any rate, that your statement was to the effect that the American tariff was lower than our tariff, or it is not the case; you cannot say that? A. I won't say that, no.

MR. LANCTOT: Your Lordship, I am going to start on another document which is being prepared at the office. Perhaps this might be a good time to adjourn.

THE COMMISSIONER: Yes. We will adjourn until 2 o'clock.

-- The Commission adjourned at 12.30 P.M. Monday, 6th April, 1936, to resume at 2.30 P.M.

--

afterwards. That might change the picture then.

Q. I want to be very clear: You cannot say that the Canadian tariff is higher than the American tariff, and you cannot say that it is lower? A. that fabric, using the export or invoice value, y

Q. Just on one fabric, you have come to that conclusion for a special fabric? A. On a special fabric. We have not come to any conclusion, we have definitely stated that it is higher.

Q. Let me understand your evidence. You gave me the impression, at any rate, that your statement was to the effect that the American tariff was lower than our tariff, or it is not the case; you cannot say that? A. I won't say that, no.

MR. LAMONT: Your Lordship, I am going to start on another document which is being prepared s the office. Perhaps this might be a good time to adjourn.

THE COMMISSIONER: Yes. We will adjourn until 2 o'clock.

-- The Commission adjourned at 1.00 P.M. Monday, April, 1936, to resume at 2.00 P.M.

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AFTERNOON SESSION.

On resuming at 2.00 P.M.

MR. HEWARD: Your Lordship, we have a witness we brought up from the United States who, unfortunately, has to return to Boston to-night for a very important engagement, Mr. R.E. Loper, a textile consultant, and I would ask the indulgence of the Commissioner and of my learned friend to put him in now if your Lordship permits. The examination on my part will not be long, will take I think about 15 minutes.

THE COMMISSIONER: What do you say Mr. McRuer?

MR. McRUER: Mr. Heward spoke to me about this this morning and I pointed out to him that it was rather an extraordinary procedure to call a textile consultant at such an early stage of the inquiry. I do not know just what his evidence is to be but I understand he is from the United States and he proposes to give evidence about methods of operation down there and the number - - -

MR. HEWARD: Work loads, My Lord.

MR. McRUER: Work loads, and things of that sort that I should say we are ill prepared to deal with at the present time, because, after all we have only visited two mills so far, and we can only compare our conditions here with those two mills at the moment, and we have not seen what other mills do or what work loads they put on or anything of that sort. I was a little surpised that my friend, without speaking to us, brought a man here so early, and I explained to him that as far as I am concerned I am not in any position to cross-examine the man on that subject matter at the moment at this stage of the inquiry.

On resuming at 2.00 P.M.

MR. HOWARD: Your Lordship, we have a witness we brought up from the United States who, unfortunately, has to return to Boston to-night for a very important engagement, Mr. R.E. Loper, a textile consultant, and I would ask the indulgence of the Commissioner and of my learned friend to put him in now if your Lordship permits. The examination on my part will not be long, will take I think about 15 minutes.

THE COMMISSIONER: What do you say Mr. McGuire?

MR. McGUIRE: Mr. Howard spoke to me about this this morning and I pointed out to him that it was rather an extraordinary procedure to call a textile consultant at such an early stage of the inquiry. I do not know what that his evidence is to be but I understand he is from the United States and he proposes to give evidence about methods of operation down there and the number - - -

MR. [illegible]: Work loads, by [illegible].

MR. McGUIRE: Work loads, and things of that sort that I should say we are ill prepared to deal with at the present time, because, after all we have only visited two mills so far, and we can only compare our conditions here with those two mills at the moment, and we have not seen what other mills do or what work loads they put on or anything of that sort. I was a little surprised that my friend, without speaking to us, brought a man here so early, and I explained to him that [illegible] I am [illegible] I do not in my position in cross-examining [illegible] subject matter at the moment at this stage of the inquiry.

I do not want to interfere with him in any way if he wants to put the witness in the box.

THE COMMISSIONER: As I understand, this witness is to testify as to working conditions generally in mills in the United States.

MR. HEWARD: Well, working conditions in the mills of the Dominion Textile Company. I t arrises out of the evidence given at Sherbrooke, and we understood until quite recently that we would have reached it about this time the examination of our own witnesses but we have not reached that yet, and we brought him up here. If my learned friend - - -

THE COMMISSIONER: What I ask you is this; What sort of evidence is he to give us - evidence of conditions in mills generally in the United States or some - - -

MR. HEWARD: He is going to give his evidence as a textile expert as to the conditions of work, the work load conditions for employees in the mills of the Dominion textile and including - - -

THE COMMISSIONER: You mean our mills.

MR. HEWARD: Yes.

THE COMMISSIONER: For instance, the Sherbrooke mill.

MR. HEWARD: Including the Sherbrooke mill, as compared with those elsewhere.

THE COMMISSIONER: What elsewhere? How does he know about elsewhere?

MR. HEWARD: The United States and Canada.

THE COMMISSIONER: I quite agree with Mr. McBuer that it is a little early for us to hear it because really the main object of our sitting in Montreal this week is to attend to the more general aspects of the inquiry which we

I do not want to interfere with him in any way if he wants to put the witness in the box.

THE COMMISSIONER: As I understand, this witness is to testify as to working conditions generally in mills in the United States.

MR. HAWARD: Well, working conditions in the mills of the Dominion Textile Company. It arises out of the evidence given at Sherbrooke, and we [illegible] quite recently that we would have reached it about this time the examination of our own witnesses but we have not reached that yet, and we brought him up here. If my learned friend - - -

THE COMMISSIONER: What I ask you is this: What sort of evidence is he to give us - evidence of conditions in mills generally in the United States or some - - -

MR. HAWARD: He is going to give his evidence as a textile expert as to the conditions of work, the work load conditions for employees in the mills of the Dominion textile and including - - -

THE COMMISSIONER: You mean our mills.

MR. HAWARD: Yes.

THE COMMISSIONER: [illegible]

MR. HAWARD: [illegible]

as compared with those elsewhere.

THE COMMISSIONER: What elsewhere? How does he know [illegible]

MR. HAWARD: [illegible]

THE COMMISSIONER: I make bows with Mr. Haward. [illegible] the main object of our sitting in Montreal this week is to [illegible]

have been outlining so far and Mr. Lanctot desired to have certain things investigated. You remember that. Getting down to working conditions in mills is something, as Mr. McRuer said, something that should be taken up later on. As we go from one place to another, we have to examine particular conditions there so that we will have them before us for general purposes. However, since this man is here I do not think, Mr. McRuer, it will do any harm to hear his evidence. Of course, there is this, as Mr. McRuer says, that he may not be prepared to cross examine him to-day.

MR. HEWARD: If Mr. McRuer feels that he does not want to proceed with his cross-examination to-day, we undertake to bring Mr. Loper back, and I have spoken to him and he says that he can come back if we give him two or three days notice.

THE COMMISSIONER: Then we had better hear him to suit your convenience.

RALPH E. LOPER, sworn, examined by MR. HEWARD:

Q. You are the president of R.E. Loper and Company? A. Yes.

Q. Of Greenville and Fall River, Massachusetts. A. Yes.

Q. Greenville, South Carolina and Fall River, Massachusetts? A. Yes, sir.

Q. What is the business of R.E. Loper & Company? A. It consists in cost accounting and in consulting work

have been outlining to Mr and Mr. Bennett desired to have [illegible] [illegible]. The remedial that. [illegible] down to working conditions in mills is something, as Mr. Monner said, something that should be taken up later on. As we go from day [illegible] [illegible] particular conditions there so that we will have them before us for general purpose. However, since this man is here I do not think, Mr. Monner, it will do any harm to hear his evidence. Of course, there is this, as Mr. Monner says, that he may not be prepared to cross-examine him to-day.

MR. HOWLAND: If Mr. Monner feels that he does not want to proceed with his cross-examination to-day, we undertake to bring Mr. Loper back, and I have spoken to him and he says that he can come back if we give him two or three days notice.

THE COMMISSIONER: Then we had better hear him to suit your convenience.

RALPH E. LOPER, sworn, examined by MR. HOWLAND:

Q. You are the president of R.E. Loper and Company?

A. Yes.

Q. [illegible] [illegible] [illegible]?

A. Yes.

Q. Greenville, South Carolina and Mail River?

A. Yes, sir.

Q. [illegible] [illegible] [illegible] [illegible]?

A. [illegible] [illegible] [illegible] [illegible]

for the textile mills.

Q. For the textile industry generally? A. Yes, sir.

Q. How long have you personally been in that kind of consultant work for textile mills? A. We specialize in consulting work for textile mills for twenty-two years.

Q. Whereabouts? A. They are scattered all over the textile industry of the United States and Canada.

Q. Have you been active in a consultant capacity for many of the Canadian mills? A. Yes, beginning 15 years ago.

Q. About what percentage of the Canadian mills have you advised? A. Approximately 80% of the Canadian Cotton Textile industry is operated by clients of ours.

Q. Does that include the Dominion Textile Company? A. Yes, sir.

Q. And what others - you do not need to enumerate them all. A. Canadian cotton, Montreal cotton, Hamilton cotton, Dominion Textile, Cosmos-Imperial, Steuffer-Dobie. That would be most of them.

THE COMMISSIONER: Q. Does it include Wabasso for instance? A. No, sir.

MR. HEWARD: Q. Would you consider that you are in a position to draw comparison between conditions in Canadian mills and those existing in similar mills in the United States? A. Yes, I would think so.

Q. How does the amount of work involved in Canadian mill jobs compare with their counter part in the United States? A. Well, generally speaking the work required of Canadian Textile operatives is somewhat less than what we would consider

for the textile mills.

Q. For the textile industry generally? A. Yes, sir.

Q. How long have you personally been in that kind of consultant work for textile mills? A. We specialize in consulting work for textile mills for twenty-two years.

Q. Where-abouts? A. They are scattered all over the textile industry of the United States and Canada.

Q. Have you been active in a consultant capacity for many of the Canadian mills? A. Yes, beginning 18 years ago.

Q. About what percentage of the Canadian mills have you advised? A. Approximately 80% of the Canadian Cotton Textile industry is operated by clients of ours.

Q. Does that include the Dominion Textile Company? A. Yes, sir.

Q. And much others - you do not need to enumerate them all. A. Canadian Cotton, Montreal Cotton, Hamilton Cotton, Dominion Textile, Dosmos-Imperial, Stanfer-Dobie. That would be most of them.

THE COMMISSIONER: Q. Does it include Wabasso too? A. Yes, sir.

MR. HEWARD: Q. Could you consider that you are in a position to draw comparison between conditions in Canadian mills and those existing in similar mills in the United States? A. Yes, I would think so.

Q. How does the amount of work involved in Canadian mill jobs compare with their counterpart in the United States? A. Well, generally speaking, the work involved in operating textile operatives is somewhat less than what we would consider

good practice among the mills in the States.

Q. Does that apply to the Dominion Textile Company, Limited? A. Yes.

Q. And I understand that you have been familiar with their records and their practice for sometime, is that right? A. We began working for Dominion Textile fifteen years ago and have been in touch with them more or less ever since.

Q. You have acted and been in touch with them on those conditions of work loads and cost accounting and similar conditions during the last 15 years, is that right? A. More or less.

Q. Have you examined, among others, the Sherbrooke mills? A. Yes, sir.

Q. Does what you say in regard to the comparison of work loads of employees between the Canadian industry generally and good practice in the United States apply as regards the Sherbrooke division of Dominion Textile? A. Yes, very definitely so.

Q. Now, as to conditions of work, did you examine the Sherbrooke cotton mills and the Sherbrooke rayon mill recently? A. Yes.

Q. While it was in operation? A. While the cotton mill was in operation and portions of the rayon mill.

Q. How are general working conditions there such as light, air space and toilet facilities, how do they compare with working conditions generally in textile mills? A. They are better than the average. I would consider them good.

Q. From what you know of the work loads generally in the Dominion textile company, are they such as would permit the exployee a certain amount of - not leisure but resting

good practice among the mills in the States.

Q. Does that apply to the Dominion Textile Company, Limited? A. Yes.

Q. And I understand that you have been familiar with their records and their working for many years, is that A. We began working for Dominion Textile fifteen years ago and have been in touch with them ever since.

Q. You have acted and been in touch with them on labour conditions of work loads and wage scales and similar conditions during the last 15 years, is that right? A. Yes, sir.

Q. Now you mentioned, some minutes, the Shawinigan mills? A. Yes, sir.

Q. Does what you say in regard to the comparison of work loads of employees between the Canadian industry generally and good practice in the United States apply as regards the Sherbrooke division of Dominion Textile? A. Yes, very definitely so.

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Q. From what you know of the work loads generally in the Dominion textile company, are they such as would permit the employee a certain amount of - not leisure but resting

period. A. Yes, it is quite evident that they do. I saw operatives sitting down while I was going through the plant, which is proof of it.

Q. That includes spinners and weavers, does it? A. It happened in most any of the departments but I was thinking particularly of the carding room. That is where I happened to notice it mostly.

Q. Now, you say that the amount of work involved in Canadian mill jobs - - -

THE COMMISSIONER: Q. Before you go on - when did you visit this Sherbrooke plant? A. Last week, my Lord.

MR. HEWARD: Q. You say that the amount of work involved in Canadian mill jobs compares with their counter part in the United States - in dealing with that question you said that the jobs in Canada are smaller than considered good practice in United States - is not that about the effect of your evidence? A. Yes.

Q. What would be the tendency as regards the labour cost per unit of the product - what would be the result of that fact - would labour cost per unit be higher or lower? A. Well, the smaller machine assignment, smaller job given to the textile worker, would tend to raise the labour cost of production.

MR. McRUER: Where?

MR. HEWARD: Between here and the United States.

- - - The reporter reads question and answer again Q. What would be the tendency as regards the labour cost per unit of the product - what would be the result of that fact - would labour cost per unit be higher or lower? A. Well, the smaller machine assignment, smaller job given to the

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THE CONCILIATOR: Q. Before you go on - when did you visit this Dominion plant? A. Last week, my lord.

Mr. HEENAN: Q. You say that the amount of work involved in Canadian mill jobs compared with their counterpart in the United States - in dealing with that question you said that the jobs in Canada are smaller than constituted good practice in United States - is not that about the effect of your evidence? A. Yes.

Q. What would be the tendency as regards [illegible] labour [illegible] - would [illegible] or lower? A. Well, the smaller machine assignment, smaller job given to the textile worker, would tend to raise the labour cost of manufacture.

Mr. McCUBBIN: Higher?

Mr. HEENAN: Higher [illegible] would be the tendency - regards the labour cost per unit of the product - that would be the result of that fact - would labour cost per unit be higher or lower? A. Well, the smaller machine assignment, smaller job given to the

textile worker, would tend to raise the labour cost of production."

MR. HEARD: Q. So that do I understand that the labour cost of production is somewhat higher here in Canada than the United States as a result of that? A. As a result of that and other cases, we found, on several cases that we checked that the average labour cost per unit product was higher in the Canadian mills than in the mills in the United States.

Q. What are those other factors that you refer to? A. Well, in the Canadian textile mills you are obliged because of the nature of your market to have a greater variety of products in a given mill than we would expect to find in the United States. That interferes with the laying out of the work and prevents giving what might be considered normal full jobs to the worker.

Q. Now, we have heard evidence here that the working week in the textile industry is 55 hours. What is it in the United States at the present time?
A. In some mills it is still 40 hours per week for the operative but 80 hours for the plant because they run two shifts. In a few mills, since the code was done away with, they have increased the hours of operation, either in New England or the South.

Q. What do you refer to as the Code? A. Well, we had for a period of over a year when the industries were operating under a code that limited them to 40 hours per operative per week.

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MR. HEARD: Q. Do that do I understand that the labour cost of production is somewhat higher here in Canada than the United States as a result of that? A. As a result of that and other cases, as found, on several cases that we checked that the average labour cost per unit product was higher in the Canadian mills than in the mills in the United States.

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Q. Now, we have heard evidence here that the working week in the textile industry is 55 hours. What is it in the United States at the present time? A. In some mills it is still 40 hours per week for the operative but 55 hours for the plant because they run two shifts. In a few mills, since the code was done away with, they have increased the hours of operation, either in New England or the South.

Q. When do you refer to as the code? A. Well, we had for a period of over a year when the industries were operating under a code that limited them to 40 hours per operative per week.

Q. Is that a code established under what is familiarly known as the N.R.A.? A. Yes, it is a N.R.A. Code.

Q. So that there is a tendency now to increase the hours of labour since the N.R.A. Code has gone out? A. Yes, a considerably numberof mills have increased the hours of labour.

Q. Now, is the hourly rate in the United States higher or lower, - the average hour rate, speaking generally, in the textile workers - than in Canada? A. It is higher on hourly basis than the rates in Canada.

Q. And would a textile worker in the United States receive more or less for his 40 hours per week - his or her 40 hours a week - than the textile worker in Canada would receive for a 55 hour week - general average, 55 hours a week? A. I think generally that the Canadian textile worker would have a larger pay envelope than textile worker in the United States.

Q. For the 55 hours? A. Yes.

Q. What was the situation in regard to hours of labour in the United States before the N.R.A.? A. Before the N.R.A. Massachusetts had the lowest hours per week, which was 48 for cotton textile workers. A few other places near Massachusetts had 48 hours but most of the industry was running 55 to 60 hours per week per shift.

Q. And did that show any result as to the business of the Massachusetts mills at that time? A. Yes, it was having a very detrimental affect on the industry of Massachusetts. The industry was rapidly disappearing in Massachusetts.

Q. Now, can you tell us whether the number of spindles

Q. Is that a code established under what is familiar known as the N.R.A.? A. Yes, it is a N.R.A. Code.

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Q. And did that show any result as to the business of the Massachusetts mills at that time? A. Yes, it was [illegible] The industry was rapidly disappearing in Massachusetts.

Q. Now, can you tell us whether the number of spindles

in operation in the United States is increasing or declining at the present time? A. Since the N.R.A. Code the industry has again started to decline and during the past - - -

THE COMMISSIONER: Does the witness mean since the beginning of the code?

THE WITNESS: Since the cessation of the N.R.A. Code the cotton industry in the United States has started on a fairly rapid decline. During the last 12 months the spindles in place in the United States have dropped at an average rate of 175,000 spindles per month.

MR. HEWARD: Q. Where is that drop taking place? A. Taking place entirely in New England. There is a slight gain in the spindles in place in the Southern mills.

Q. And to what do you attribute the decline of spindles in New England? A. To higher wage rates, to oppressive legislation, higher taxes and particularly to labour unrest fomented by professionaly labour agitators.

Q. You spoke of the Southern mills, where are they located?

THE COMMISSIONER: What is the connection between the reason the witness has just given and the Code?

MR. HEWARD: Q. What would you say was the connection between the reasons you have just given and the Code?

THE COMMISSIONER: You see, he told us that this decline began when the Code commenced operating and he told us why. How does the Code govern or prevent this?

A. During the period of the Code the decline which had been going on in the industry since 1924 was temporarily stopped. There was a period of 18 months when the industry

in operation in the United States is increasing or decreasing at the present time? A. Since the N.R.A. Code the industry has again started to decline and during the past - - -

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MR. HEMMING: Q. There is that drop taking place? A. Taking place entirely in New England. There is slight gain in the spindles in place in the southern mills.

Q. And to what do you attribute the decline of spindles in New England? A. To higher wage rates, to oppressive legislation, higher taxes and particularly to labour unrest fomented by professionally labour agitators.

Q. You speak of the southern mills, where are they located?

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MR. HEMMING: Q. What would you say was the connection between the reasons you have just given and the Code?

THE COMMISSIONER: You see, he told us that this decline began when the Code commenced operating and he told us why. How does the Code govern or prevent this?

A. During the period of the Code the decline which had been going on in the industry since 1924 was temporarily stopped. There was a period of 18 months when the industry

stopped declining, the number of spindles in place in the industry stopped declining. For seven years prior to the beginning of the Code the spindles in place were declining at the rate of approximately 1,000,000 spinldes per year. That decline stopped during the period of the Code and shortly after the Code was done away with it began at an even greater rate than previous to the Code.

Q. Was that decline before the Code taking place in the North chiefly? A. Almost entirely in Massachusetts.

THE COMMISSIONER: The point I have not got yet is what the Code had to do with these things. For instance, he speaks of labor agitation,&c. Did the Code prevent that? A. When the Code went into effect it caused a substantial increase in wage rates among the Southern mills which were the chief competitors of the Massachusetts mills. It also put the same number of hours per week into effect among the southern mills and the Massachusetts mills, and because of that evening out of the hourly rates or a partial evening out ofhourly rate and hours of operation the mills in New England, and particularly Massachusetts felt that perhaps they were going to be in a position to compete and permanently maintain their place in the industry, and under that unjustified expectation they discontinued their liquidations and went along for the period of the Code believing that there might not be need for further liquidation.

MR. HEWARD: Now, is that the answer?

THE COMMISSIONER: It is only partial answer. Perhaps you better go on.

MR. HEWARD: Q. Is theremuch coloured help in the

stopped declining, the number of spindles in place in the industry stopped declining. For seven years prior to the beginning of the Code the spindles in place were declining at the rate of approximately 1,000,000 spindles per year. That decline stopped during the period of the Code and, starting with the Code was once more with it, at an even greater rate than previous to the Code.

Q. Was that decline before the Code taking place in the North entirely? A. Almost entirely in Massachusetts.

THE COMMISSIONER: The point I have not got yet is what the Code had to do with these things. For instance, he speaks of labor agitation, &c. Did the Code prevent that?

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MR. HOWARD: Now, is that the answer?

THE COMMISSIONER: It is only partial answer. Nothing [illegible] [illegible].

MR. HOWARD: Q. Is there much coloured help in the

southern mills? A. Practically none outside of Sweepers and the yard gang because there is a law in the two principal states that prevents you from using coloured help, on operations in the same room with white help, so that over 95% of the southern textile operatives are native born American whites.

Q. Now, from what you know of the Canadian textile industry would you consider that it was run with reasonable efficiency? A. From my contacts with it I would say that considering the conditions under which they are obliged to operate - that is, the type of demand that the market makes on them, &c., that they were efficiently run.

Q. When referring to the 40 hour week, that is, 40 hour week per shift, how many shifts were running? A. I tried to make it clear that the mills were limited to 40 hours per operative, but the general practice among southern mills was to run two shifts.

Q. Two shifts of 40 hours each? A. Yes.

Q. And do women work in both shifts? A. Yes, the laws in all of the southern States permit women to work in both shifts, and in most of the New England States that is also true.

CROSS-EX BY MR. McRUER:

MR. McRUER: My Lord, I desire to proceed with some cross-examination of this witness, but he has covered a wide field in very general terms and I would ask, notwithstanding that I do cross-examine him now, that I may be at liberty to ask him to come back later on.

southern mills? A. Practically none outside of Greenville and the yard goods because there is a law in the two principal states that prevents you from using colored [illegible] on [illegible] over 90% of the southern textile operatives are native born whites.

Q. Now, from what you know of the unionism terrible in industry would you consider that it was run with reasonable efficiency? A. From my contacts with it I would say that considering the conditions under which they are obliged to operate - that is, the type of general that [illegible] market makes on them, so., that they were efficiently run.

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Q. Two shifts of 40 hours each? A. Yes.

Q. And do women work in both shifts? A. Yes.

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[illegible]:

Mr. Martin: My local, I desire to proceed with [illegible] wide field in very general terms and I would say, not [illegible] at liberty to say big to [illegible]

THE COMMISSIONER: Well, that is understood, Mr. Heward?

MR. HEWARD: Oh, yes, if Mr. McRuer wants him back.

MR. MCRUER: Q. You are Mr. Loper? A. Yes, sir.

Q. And your business is what? A. We are Cost Accountants and Consulting Engineers to the Textile Industry.

Q. That is, that the owners of Textile plants call you in to advise them on matters of how they can improve their position I suppose in regard to output, and &c.

A. Yes, frequently.

Q. Did you prepare anything in the nature of a general statement of the evidence you were going to give here before you came? A. No, sir.

Q. Well, you were asked if you had experience with Canadian mills? A. Yes.

Q. And you told us that experience went back over 15 years? A. That is right.

Q. Were you a Consultant of all these Canadian mills you have mentioned for the past 18 years? A. No, our work began in the Dominion Textile plants 15 years ago and since that time other mills have used our services.

Q. What use do they make of your services? A. First in developing simple methods of determining their cost of manufacture and in many cases, but not every case, we have also worked with those mills in pointing out inefficiencies or ways in which they might reduce their cost of production.

Q. And you do advise them of methods of determining the cost of manufacture? A. Yes.

Q. Were you consulted by the Canadian Textile Institute in regard to this matter? A Yes.

Q. When did the Canadian Textile Institute consult you

THE COMMISSIONER: Well, that is understood, Mr. Howard.

MR. HEWARD: Oh, yes, if Mr. Morner wants him back.

Q. The witness (Loper) A. Yes, Sir.

Q. And your business is what? A. We are Cost Accountants and Consulting Engineers to the Textile Industry.

Q. That is, that the owners of Textile plants call you in to advise them on matters of how they can improve their position I suppose in regard to output, and so.

A. Yes, Invariably.

Q. Did you prepare anything in the nature of a general statement of the evidence you were going to give here before this Commission, eh?

A. Well, you were asked if you had experience

Q. Yes.

Q. And you told us that experience went back over 15 years? A. That is right.

Q. Were you a Consultant of all those Canadian mills you have mentioned for the past 15 years? A. No, our work began in the Dominion Textile plants 15 years ago and since that time other mills have used our services.

Q. What can do they make of your services? A. Firstly in developing simple methods of determining their cost of manufacture and in many cases, but not every case, we have also worked with those mills in pointing out inefficiencies or ways in which they might reduce their cost of production.

Q. Did you do anyone than or members of Canadian the cost of manufacture? A. Yes.

Q. Were you consulted by the Canadian Textile Institute in regard to this matter? A. Yes.

Q. When did the Canadian Textile Institute consult y

in respect to the question of costs of manufacture?

A. Last year.

Q. About what time last year? A. Early last year, beginning probably the first quarter of last year.

Q. The first quarter of 1935? A. Yes.

Q. Was that for the purpose of making some submissions to the Tariff Board of the Dominion of Canada? A. Yes.

Q. So that you were called in by the Textile Institute in order to advise these companies on what their cost of manufacture was? A. Not exactly that. We have been working with the majority of the mills in the industry for a period of years and they felt that in presenting the data to the Tariff Board we could perhaps make the explanations.

Q. Better than they could themselves? A. More easily than some of their clerks could.

Q. They thought you could make the explanations to the Tariff Board better than the people who had over a period of years been arriving at the cost of manufacture? A. These people had been arriving at the cost of manufacture by using a system which we trained them to use and which we developed for the most of the mills and for uniformity in handling the problem we were asked to submit that data.

Q. Well, did you make any examination of the costs of manufacture of the Wabasso plant? A. Yes.

Q. You made an examination of their costs of manufacture? A. On certain specific fabrics that were needed in the

in respect to the question of costs of manufacture?

A. Last year.

Q. About what time last year? A. Early last year, beginning probably the first quarter of last year.

Q. The first months in 1927? A. Yes.

Q. Was that for the purpose of making some submissions to the Tariff Board of the Dominion of Canada?

A. Yes.

Q. So that you were called in by the Textile Institute in order to advise these companies on what their cost of manufacture was? A. Not exactly that. We have been working with the majority of the mills in the industry for a period of years and they felt that in presenting the data to the Tariff Board we could perhaps make the explanations.

Q. Better than they could themselves? A. More easily than some of their clerks could.

Q. They thought you could make the explanations to the Tariff Board better than the people who had over a period of years been arriving at the cost of manufacture?

A. These people had been arriving at the cost of manufacture by using a system which we trained them to use and which we developed for the most of the mills and for uniformity in handling the problem we were asked to submit that year.

Q. Well, did you make any examination of the costs of manufacture of the Kahnee plant? A. Yes.

Q. You made an examination of their costs of manufac

A. On certain specific fabrics that were needed in the

compilation for the Tariff Board.

Q. Did you not prepare for the Textile Institute a uniform method of dealing with costs of manufacture in order that their members might adopt it. A. No, I don't think so.

Q. Now, I prefer that the answer come from the witness in the witness box than anyone who is a member of the Textile Institute or interested in it. A. My answer to that would be, no.

Q. What did you prepare for them? A. We prepared costs over the period in which the Tariff Board was interested of a method which we had developed in these mills years before.

Q. In which mills years before? A. The mills that we have named.

Q. In which ones? - I want you to name them now - in which are you saying that these costs were developed, in which mills were they developed years ago? A. All of the Dominion Textile plants, all of Canadian Cotton, Limited. Cosmos-Imperial, Montreal Cotton, Hamilton. I do not think any figures were submitted by Steuffer-Dobie, although they have our methods.

Q. Now, when had you first become associated with Canadian Cottons? A. About 1927.

Q. When had you first become associated with Imperial-Cosmos? A. I don't know the exact year but at least 4 or 5 years ago.

Q. Now, you were retained by the Textile Institute to prepare, then, may we say, uniform costs for all these places for submission to the Tariff Board. A. I do not

compilation for the Tariff Board.

Q. Did you not prepare for the Textile Institute a uniform method of dealing with costs of manufacture in order that their members might adopt it. A. No, I don't think so.

Q. Now, I prefer that the answer come from the witness in the witness box than anyone who is a member of the Textile Institute or interested in it. A. My answer to that would be, no.

Q. What did you prepare for them? A. We prepared costs over the period in which the Tariff Board was interested in of a method which we had developed in these mills years before.

Q. In which mills years before? A. The mills that we have named.

Q. In which cases? - I want you to name them now - in which are you saying that these costs were developed, in which mills were they developed years ago? A. All of the Dominion Textile plants, all of Canadian Cotton Limited, Cosmos-Imperial, Montreal Cotton, Hamilton. I do not think any figures were submitted by manufacturers, although they have been mentioned.

Q. Now, when had you first some association with Dominion Textile Company Limited?

Q. When had you first become associated with Imperial Cosmos? A. I don't know the exact year but at least 4 or 5 years ago.

Q. Now, you were retained by the Textile Institute to do work, there, and to do, perhaps some for all these plants, [illegible] in the Tariff Board.

think you should put it just that way.

Q. Well, put it your own way. A. We were asked to prepare cost figures for submission to the Tariff Board in these different mills on a uniform method of approach. They are not uniform costs but they are uniform principles we used in developing them.

Q. But did you prepare and submit tho the Tariff Board the costs of each individual mill or did you make it one uniform statement of costs and submit it that those are the costs of the textile industry of Canada. A. I am not sure that I can answer the question. We had the data specifically by mills and whether just Sedgwick asked for it in that form or not I don't know.

Q. Did you not give the evidence? A. We gave the evidence.

Q. But did you not yourself give the evidence? A. Part of it.

Q. You surely know on what basis you gave the evidence before the Tariff Board last fall? A. The evidence which I gave personally was as to the method used in developing the costs. One of my associates remained over practically for days after I left and I do not personally know just the form in which Judge Sedgwick finally agreed he wanted the figures, but they were developed individually by mills and if Judge Sedgwick wanted it that way it was available to him that way.

Q. Then you have at the present time in your possession available to submit to us the costs individually by mills in respect to certain specific articles of manufacture.

think you should put it just that way.

Q. Well, put it your own way. A. We were asked to prepare cost figures for submission to the Tariff Board in these different mills on a uniform method of approach. They are not uniform costs but they are uniform principles we used in developing them.

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Q. Then you have at the present time in your possession [illegible] at all mills individually by mills [illegible] textile [illegible] or manufacturers.

A. I am not sure whether I have or not. We developed them but whether I have the data available in my files or not I don't know.

Q. Well, what would happen to such data after it had been developed by you? A. I think we turned over pretty complete file of the data for the use of Judge Sedgwick.

Q. I am not concerned with what you turned over to Judge Sedgwick. I am concerned with what you have got in your files, the reports that were made to you and the data on the costs in these respective mills.

(Page 1815 follows.)

A. I am not sure whether I have or not. We developed them but whether I have the data available in my files or not I don't know.

Q. Well, what could happen to such data after it had been developed by you? A. I think we turned over pretty complete file of the data for the use of Judge Hodgins.

Q. I am not concerned with what you turned over to Judge Hodgins. I am concerned with what you have got in your files, the reports that were made to you and the data on the cards in those respective files.

(Page 1810 follows.)

MR.LANCTOT: My lord, suppose the witness had that, it would be trying to put before this Court indirectly what my learned confrere has no right to put before the Court directly. We have seen what the law is of the Tariff Board --

THE COMMISSI NER: We are not talking of anything the Tariff Board has. The question is merely this, Mr. McRuer wants to know whether this witness has this information or not.

MR. LANCTOT: What is the use, my lord, if he has and cannot produce it.

THE COMMISSIONER: Has he got them or has he not?

MR. LANCTOT: But if he cannot produce them?

BY THE COMMISSIONER: Q. The question is, have you got them or have you not? A. My lord, I do not know whether we have them or not; we probably have not, except in a sketchy way, because ~~whether~~ while we were here we worked until 2 and 3 o'clock in the morning to have the information ready to use the next day, and much of the information was necessarily left right there where we finished it.

BY MR. McRUER: Q. You are sort of an efficiency export, are you not, Mr. Loper? A. Well, you might call it that.

Q. Now, being an efficiency expert, I take it you would handle your own business with some degree of efficiency; we could assume that? A. We try to.

Q. Now, when your firm is brought here from the United States to present to the Tariff Board

MR. LAMONT: My lord, suppose the witness had that, it would be trying to put before this Court indirectly what my learned confrere has no right to put before the Court directly. We have seen what the law is of the Tariff Board --

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MR. LAMONT: What is the use, my lord, if he has and cannot produce it.

MR. MONNET: Has he got them or has he not.

MR. LAMONT: But if he cannot produce the

BY THE COMMISSIONER: Q. The question is, have you got them or have you not? A. My lord, I do not know whether we have them or not; we probably have not, except in a sketchy way, because whenever while we were here we worked until 2 and 3 o'clock in the morning to have the information ready to use the next day, one book of the information was necessarily left right there where we finished it.

BY MR. MONNET: Q. You are part of an efficiency expert, are you not, Mr. Lower? A. Well, you might call it that.

Q. Now, being an efficiency expert, I take it you would handle your own business with some degree of efficiency as you would handle Mr. Q. Now, when your firm is brought here from the Tariff Board in connection with the Tariff Board

a very important matter, that is, a statement of the costs of manufacture in Canadian Textile Mills, I would take it that you performed your work with some degr e of care and accuracy, and not on some rough calculations made in a hurry to submit to the Tariff Board the next morning, I mean, for instance, a calculation made during the small hours before you submit it; you do not do business that way, do you? A. Well, the basic information that was necessary to determine the cost of specific fabrics was very carefully assembled in advance.

Q. Yes? A. We did not know exactly what fabrics were going to be required until, in some cases, almost the last minute.

Q. Well, what facts were required, what information was given to you in res ect to the fabrics that were dealt with by you? A. Well, the basic information would be available.

Q. What do you mean by that; that you took a particular method of calculation? and submitted it to the Tariff Board as to what the costs would be? Did you do that through some formula which you had in your possession? A. Well, you might call it a formula or method.

Q. Formula or method, but not an actual statement of what the cost had been? A. No. There is where I have not made myself clear, because in the information which we prepared and submitted to Judge

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of what was sent out first?

. No. There
is where I have had some great fear, because in the
information which we prepared and submitted in

Sedgewick, we were basing it upon the actual costs for the fiscal period just prior to the hearing.

Q. Yes. Well, we may take it that that would be worked out carefully by yourself and your associates? A. Yes.

Q. And do you mean to suggest that you would not keep copies of working papers on how you arrived at these things, so that if they were checked back and Judge Sedgewick said there is something I do not understand, I want you to come back and tell me how you arrived at that, do you mean to say you won't have on your files the ~~fx~~ information on which your statements were based? A. We would probably, in many questions that might arise, be obliged to go back to the general books of account of the Corporation, or their production records, because we do not keep those things when working for a client.

Q. You do not put down, as a matter of record, what they said they were? A. They were getting the particular information, and when we got it we would use it; we simply confined our attention to the products which were being presented to Judge Sedgewick.

Q. May I just ask you what you did do?

MR. HEWARD: My lord, I do not want to delay, or anything, but this does not seem to me to arise out of my examination in chief. I submit it has nothing to do with my examination in chief , that is all.

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A. [illegible]
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all.

THE COMMISSION: I do not think, Mr. Heward, that it makes any difference really in this investigation. The witness is here now, and it is not like a case in court.

MR. HEWARD: I do not raise the objection, my lord. I have made a promise that the witness would be short.

THE COMMISSIONER: Oh yes, you are not to blame for any undue length. What time does the witness have to catch his train?

MR. HEWARD: This evening, my lord.

THE COMMISSIONER: I was going to say, on the general question, that when these witnesses appear before us they are liable to be examined very thoroughly by Mr. McRuer and Mr. Beauregard, if they can gain any information at all pertaining to the matters referred to in the Order in Council. As I say, it is not like a case in court where you can only cross-examine on certain things. Our case is very wide, and we are anxious to get all the information we can, and when we find a qualified witness like this, well, we want to get all the information we can from him.

MR. HEWARD: Very good, your lordship.

BY MR. McRUER: Q. Now, I was just asking you what you did in order to arrive at the cost of manufacture in Canada by the Canadian mills? A. Well, we based those cost calculations upon the fiscal year

THE COMMISSIONER: I do not think, Mr. [illegible] that it makes any difference really in this [illegible] question. The witness is here now, and it [illegible] like a case in court.

MR. [illegible]: I do not raise the objection [illegible] Lord. I have made a ruling that the witness [illegible] short.

THE COMMISSIONER: Oh yes, you are not to [illegible] for any undue length. What time does the witness [illegible] to occupy his testing?

MR. [illegible]: This evening, my Lord.

THE COMMISSIONER: I was going to say, on [illegible] general question, that when these witnesses [illegible] before us they are liable to be examined by [illegible] can gain any information at all pertaining to the matters referred to in the order in Council. [illegible] say, it is not like a case in court where you can only ask [illegible] is very wide, and we are anxious to get all the information we can, and when we find a qualified witness like this, well, we want to get all the information [illegible] one from him.

MR. [illegible]: Very good, your Lordship.

BY MR. MOLGAT: Q. Now, I was just asking you what you did in order to arrive at the cost of [illegible] A. Well, we [illegible]

just preceding the time of the hearing.

Q. Well, that is a general statement. Just go back further and give us some details, details of what you did? A. Taking that period, we consulted the Production records of our clients, the production records of the plants.

Q. Now, when you say you consulted the production records of the plants, be more explicit than that, Mr. Loper, and tell me what records you consulted? A. Well, records differ among the mills, but they always show the essential facts as to the products produced, and the quantity of those products produced.

Q. That is, you would consult a record that would tell you the products produced and the quantity of those products? A. That is right.

Q. That is, that they produced rayon, and they produced cotton, and they produced different kinds of cotton such as white goods, printed goods, and so on? A. Yes.

Q. And the quantity? A. Yes.

Q. All right, that is an important record. Now, what else did you have on which you could determine the cost of production, what else did you consult? A. Records as to their overhead costs.

Q. What records did you xx consult in regard to their overhead costs? A. From their books.

Q. Did you actually go to the mill, or did you send a representative to the mill, or did you

just preceding the time of the hearing.

Q. Well, that is a general statement. Go back further and give us some details of what you did? A. Taking that period, we consulted the production records of our clients, the production records of the plants.

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A. Records as to their overhead costs.

Q. What records did you xx consult in regard to their overhead costs? A. From their books.

Q. Did you actually go to the mill, or did

take extracts from them? A. It was visits to the mills, where necessary, but usually the records are available at the central office of a group of mills.

Q. Did you examine the records then of the central office of a group of mills, or did you get reports from the central office of a group of mills? A. We visited the central office, and, in some cases, had to go to the plant to get detail that we might need.

Q. Yes, and then when you got that information what did you do with it? A. We took the expenditures for labour--

Q. Oh no, no, you are starting too fast, you are ahead of me. What did you do with the information which you got, did you write it down some place? A. Yes, in some cases.

Q. Well, now, in most cases; you do not mean to say that you would go into the Dominion Textile head office and carry away a lot of figures in your head? A. No, but we simply noted the essential figures, and we do not, by any means, make copies of the books, or anything of that sort.

Q. I am not suggesting that, but you do write it down on something? A. Yes.

Q. All right. Then they would be in your possession the working papers on which these things were written down? A. I would think so, probably.

Q. Yes. Being an efficient man I would think

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possession the working papers on which these
were written down? A. I would think so, prob
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you would have all that down, that is, that you had written down the extracts from the books, or summation of extracts from the books, and that you then proceeded to make certain calculations? A. Yes.

Q. Now, what calculations did you proceed to make? A. We took the expenditures for labour, the various items of overhead cost, - supplies, power, and so forth.

Q. Yes? A. And we apportioned them to the various producing departments of the plant.

Q. You apportioned them to the various producing departments of the plant? A. Yes.

Q. Now, that would be rather an important calculation, would it not? A. Yes.

Q. On what basis did you apportion them to the various producing departments of the plant?
A. Well, the basis would depend upon the nature of the item of overhead or labour. For instance, power as an element of of cost would be apportioned to the various departments on the basis of the power used by each department.

Q. Yes, and how is labour apportioned? A. By checking back over the pay rolls, and the job earnings, ascertaining where the men worked.

Q. Did you do that at each mill that was under your attention? A. I cannot say that it was done for every one of the mills that we have named here, but it was done for those mills which used our

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Q. Did you do that at each mill that was under your attention? A. I cannot say that it was done for every one of the mills that we have mentioned, but it was done for those mills which need our

system, and we work on the file costs under this tariff investigation.

Q. Which mills was it done for? A. Which particular plants?

Q. Yes? A. That is, there are several mills in Canadian Cottons, for example.

Q. Yes? A. It was done for some but not for others.

Q. Oh, I see, so that in arriving at your calculations you checked back as to the costs of production in some of the Canadian Cotton Mills, but not in others? A. Yes, because some of the fabrics being considered by the Commission were not being made in some of the plants.

Q. Did you check back in all the mills where the same fabric was being made? A. I am not absolutely sure. For instance, here is my point: one mill might, in an emergency, make a small quantity of a fabric, to which it was not adapted; we probably ignored that particular mill.

Q. And probably some one mill might make a small quantity cheaper than another mill? A. No, it would be always the other way.

Q. It would be always the other way? A. Yes.

Q. You always took the cheapest one, did you? A. We took the mill that made the volume.

Q. I see. Well, you only submitted costs on behalf of big mills? A. No.

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Q. It would be always the other way? A. Yes.

Q. You always took the cheapest one, did you? A. [illegible]

Q. I see. Well, you only submitted costs on behalf of big mills? A. No.

A. No.

Q. Well, tell me any small ones that you submitted them on behalf of? A. Well, it just depends on what you call big mills.

Q. I leave that to you, you are an expert, I am not. I am asking you to tell me any small mills that you submitted costs on behalf of?
A. I do not know that I could name any mill that you would call small.

Q. I am asking you the ones that you would call small? A. Well, there are two degrees of size; when you come right down to it, all the mills in Canada are relatively small compared with the bigger units in some places.

Q. That may be, but I am dealing with them from the point of view of the Canadian Industry. Is it fair to say that you only submitted costs on behalf of the big mills in Canada? A. Well, it would not have been fair to submit, for the Tariff hearing, costs of any little mill that was not in a competitive position, and we simply used those mills which were producing the fabrics under consideration in the normal process of business.

Q. Mr. Loper, you are making a long speech of explanation, but all I am asking you just now is just the one question, that is, is it fair to say that you only submitted the costs on behalf of the large mills in Canada? A. No, it is not fair to say that.

Q. Well, tell me any small case that you mentioned them on behalf of? A. Well, in just be on what you call big mills.

Q. I have that to you, you are an expert I am not. I am asking you to tell me any small mills that you submitted costs on behalf of?

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Q. Now, you are making a full lumber cut-up action, but all I am asking you just now is just one question, that is, is it fair to say that you only submitted the costs on behalf of the large mills in Canada? A. No, it is not fair to say that.

Q. Well then, what small ones did you take into consideration, because you see I want to study it later on from that point of view, and I want to know what you have got. What small ones did you take into consideration? A. We tried to submit data on every mill that produced the fabric under consideration in sufficient volume to have the normal cost on it.

Q. Now, you see I am not getting to the point. I am asking you what small mills, and I am asking you to distinguish it yourself, as an expert, as between large and small mills. Now, what small mills did you submit costs on behalf of? A. I do not know that I could name any mill that I would say was particularly small.

Q. I am not saying that was particularly small; we do not want to get those that we need a magnifying glass to see. I am just asking you to distinguish as between a small mill and a large mill. Take Montreal Cottons, I would say that was a large mill in the Canadian Cotton Industry. Now, did you submit any costs in connection with the small mills in the industry? A. To answer your question specifically I ought to take a list of all mills that submitted cost figures and look it over.

Q. I would appreciate it very much if you would make up a list of all the mills that submitted cost figures, and then we might be in a better position to know ourselves. You might be able to do that

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between now and when I see you again? A. It is quite possible.

Q. Now, when you got those costs that were submitted by these various mills, you would record them, and would have them now? A. I cannot say definitely that that is so, because in developing a cost you normally arrive at the cost of the yarns which may enter into fifty different fabrics.

Q. Yes? A. And to get the cost of any number of looms per week, you may make one hundred different fabrics on one loom. Now, we do not normally get from our Canadian clients, or any other clients, the detailed cost of their fabric. We do not normally do that. We develop for them a system of determining cost, instructing their employees in how to use that system, and they normally develop the cost of the fabrics and not we ourselves.

Q. But still, from the costs submitted to you by one of the mills - and I thought we had arrived at that a few minutes ago, that a list of mills had submitted costs, and you might look that list over in order to determine whether there are any small mills; but all I am asking at the moment is what you did with the costs when you submitted them to you? A. Well, it might be a long story to try and state all that was done in apportioning those figures, or in compiling those figures in the form that was suggested to Judge Sedgewick --

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Q. Now, when you get those costs that were sub by these various mills, you would record them, and would have them now? A. I cannot say definit that that is so, because in developing a cost you normally arrive at the cost of the yarns which may into fifty different fabrics.

Q. Yes? A. And to get the cost of any nu of looms per week, you may make one hundred differe fabrics on one loom. Now, we do not normally get from our Canadian clients, or any other clients, t detailed cost of their fabric. We do not normally do that. We develop for them a system of determi cost, instructing their employees in how to use the system, and they normally develop the cost of the fabrics and not we ourselves.

Q. But still, from the costs submitted to you by one of the mills - and I thought we had arrived at that a few minutes ago, that a list of mills hac submitted costs, and you might look that list over in order to determine whether there are any small mills; but all I am asking at the moment is what yo did with the costs when you submitted them to you? A. Well, it might be a long story to try and state that was done in apportioning those figures, or in compiling those figures in the form that was suggeso

by Judge Sedgewick --

Q. I do not care what Judge Sedgewick wanted; I am only asking you one question, that is, as to what you did with the records when you got those reports from the companies? Did you put it in the waste basket, or did you put it in your files, or what did you do with it? A. Well, my impression is that we turned it over to the Canadian Cotton Institute.

Q. Oh yes. Well now, we are getting on, because I rather thought that we might find it there. And what did you turn it over to the Canadian Cotton Institute for? A. I think they transmitted the portion that interested Judge Sedgewick to him, and it was so that they could turn it over to him. We did not hand any figures to Judge Sedgewick.

Q. Well, one of your firm appeared and gave evidence before Judge Sedgewick? A. I personally appeared and gave evidence as to the method of compiling costs, but I think any figures that were turned over to Judge Sedgewick were turned over to him by the Canadian Cotton Institute, and by the British Delegation that was here.

8 Q. Well, were those figures figures that had been sent in by the various companies, or figures that had been compiled by you? A. You mean the figures that were turned over to Judge Sedgewick?

Q. No, the figures that you turned over to the Canadian Cotton Institute? A. Why, generally, they would be figures that were compiled by us or under our direction.

Q. I do not care what Judge Sedgewick wanted. I am only asking you one question, that is, as to you did with the records when you got those report from the commission? Did you put it in the waste basket, or did you put it in your files, or what you do with it? A. Well, my impression is t we turned it over to the Canadian Cotton Institute.

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Q. Yes, the figures that are contained after in Canadian Cotton Institute? A. Oh, generall MAY BE I do not remember that were compiled by us or rather our firm.

Q. Yes, but from records that were sent into you by those various companies? A. In some cases, but some from records that were available to us in their offices, and upon which we worked with their employees in getting the information together.

Q. Yes. Then did you not develop what we might call a uniform figure to be put before the Tariff Board in respect to costs? A. No, I think not.

Q. Well, are you sure now? A. I am quite sure, now. I am quite sure that any tabulation based on those figures to be turned over to the Tariff Board was developed by the Institute.

Q. Well then, where are your files and working papers in respect to this most important aspect of our investigation? A. Well, such as we have are in our files in Fall River, but much of the information which we used wouldnever be taken away from the plants where we worked, that is, the basic information.

Q. When you say "basic information", that is information that they prepared and submitted to you, is that what you mean? A. No. They allowed us access to their own books, to their production records, their pay rolls.

Q. Yes? A. And we compile figures from those, and we have some summaries of the data which we used.

Q. Now, is it not correct to say that you prepared, for the Textile Institute, a uniform method

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them, and we have some summaries of the data whi
we have.

Q. Now, is it not correct to say that you
prepared, for the Textile Institute, a uniform me

of costing for the purpose that they might have after adopted by their various members? A. No, sir.

Q. Well, did you not submit the method of costing that you devised for the Canadian Cotton Industry to them? A. No.

Q. You are quite sure of that? A. We submitted it at the hearing before JudgeSedgewick.

Q. No, but did not you submit it before the hearing to the Textile Institute? A. Most of those mills were using that method before the Institute was formed, as far as I know.

Q. That is, the different mills were using this system? A. Yes.

Q. Having been put in by you? A. Yes.

Q. Did you examine the Wabasso system? A. One of my associates went to Three Rivers and examined the system.

Q. Do they use your system? A. No, sir.

Q. They do not use your system? A. No, sir.

Q. Can you tell me what is the difference between their system and your system? A. It would be very difficult of diagnosis, I am afraid; it would not accomplish much if I tried.

Q. Well, I don't know, we have to be hopeful of what we can understand, of technical affairs in this investigation. If you can tell me, I would like to do the best I can by way of understanding that.

A. Well, it might be my fault in explainin , becaus the differences are usually technical differences in

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methods of apportioning the elements of cost.

Q. Do you know the difference between your system and the Wabasso system? A. I have known it; that is, we had cause to ascertain what that difference was when you were working on this information for the Tariff Board.

Q. Yes, you had occasions to determine what the difference was? Well now, I would like if you could tell me, if you can, what the difference is? A. The difference lies largely in their method of apportinning to their different departments and to the products on which they make the elements of cost, particularly the elements of overhead.

Q. Yes. Well now, that is quite a general statement. Now, what is the difference in the method that is used between the Wabasso Company and the Companies operating under your system? A. Their method does not go into quite as much detail as we consider is advisable in arriving at the relative costs of their different products.

Q. Well, you just tell me what their method is, and tell me what yours is, and tell us why it is not as accurate? A. It would be impossible for me to criticize in detail the methods of the two systems at the moment. But if you are particularly interested in that point I can get the things which we made a discussion of with Mr. Whitehead at the time, on certain details.

5 methods of apportioning the elements of cost.

Q. Do you know the difference between your system and the Kansas system? A. I have known it; that is, we had cause to ascertain what the difference was when you were working on this information for the Tariff Board.

Q. Yes, you had occasions to determine what the difference was? Well now, I would like if you could tell me, if you can, what the difference is?

10 A. The difference lies largely in their method of apportioning to their different departments and to the products on which they make the elements of so-called or particularly the elements of overhead.

15 Q. Yes. Well now, that is quite a general statement. Now, what is the difference in the method that is used between the Kansas Company and the Commission operating under your system? A. The method does not go into quite as much detail as we consider is advisable in arriving at the relative of their different products.

20 Q. Well, you just tell me what their method is and tell me what yours is, and tell us why it is more as accurate? A. It would be impossible for me to criticize in detail the methods of the two systems at the moment. But if you are particularly interested in that point I can get the things which we made a discussion of with Mr. Whitehead at the as matter stands.

25

30

Q. You have got those, have you? A. I am very sure that they are still in my files at Fall River.

Q. I am getting more hopeful all the time. You will probably have the notes of the other companies too? A. The other companies were using the method which we believed in and had installed for years.

Q. You do not need to have notes. You could carry their figures in your head? A. Not their figures; it is the method of Mr. Whitehead on which we made the notes; it is not on figures.

Q. Did you feel that Mr. Whitehead's method of costing was not accurate? A. Well, we may be prejudiced, but we belive we could improve upon it, - and we told Mr. Whitehead so.

Q. You mean you could make it more accurate? A. We believe so.

Q. And the error in costing, in that respect, you feel was in the application of overhead? A. Principally.

Q. Principally in the application of overhead? A. Yes, sir.

Q. And I suppose that overhead is a very difficult thing to apply in costing? A. It is difficult, - more difficult than some of the other elements.

Q. Take depreciation, for instance, that would be most difficult to apply in all the different branches of the operation of the mill? A. Not particularly.

Q. It is not? A. No. There are well recognized methods of handling it that are in general

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Q. It is [illegible]

use.

Q. Yes, but I suppose it is a pretty difficult matter to know whether it is being applied right? A. Oh, no.

Q. In different places? A. Oh, no.

Q. It is not? A. No difficulty.

Q. Well, have you got a copy of your method of costing? A. With me?

Q. Yes? A. No.

Q. Where is it? A. Well, I think I have a pretty good idea of it in my own head. I think I could explain it to you in general terms.

Q. Well now, we would appreciate it then if you would explain it in general terms, now that we have the advantage of having you here? A. Well, the two major items in the cost are the overhead items and the labour.

Q. Yes? A. The labour is placed to the different products, by finding out the department in which the men work, the products upon which they work, and then from the amount of labour that is expended you get at the labour cost per unit. Handling the labour is relatively ~~se~~ easy as compared with the overhead.

Q. I should think so, yes. A. Now, the items of overhead are taken from the general books of the corporation.

Q. What are the items of overhead? A. Taxes, insurance, and allowance for depreciation, power costs,

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to know whether it is being applied right? A. Oh,

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Q. What are the items of overhead? A. Insur
ance, and allowance for depreciation, power, co

anything.

Q. Go on? A. I can be quite specific.

Q. Yes, I would like you to be specific? A. Well, we put in the list of overhead everything except the labour and raw material.

Q. Now, you are being general. I would like you to be more specific and give me a broader idea of what is included in everything? A. Some of the other items would be supplies, and outside repairs.

Q. What do you mean by "supplies"? A. Shuttles, bobbins, reeds, harnesses, belting, and oil.

Q. Such things that could not be taken as capital replacements? A. That is right.

Q. All right? A. I think I have mentioned--

Q. Is that everything you put into overhead? A. No, but it gives you a pretty definite idea.

Q. Give me everything else that goes into overhead. I want to know what you are putting in overhead. A. We put in the overhead everything that is in the books of accounts of the company. They group them one way in one mill and another way in another mill, and we try to get every dollar of expenditure.

Q. Is that all you put in the overhead as expenditures? A. I would think so.

Q. Do you put interest on bonds in overhead? A. We put it into cost, normally.

Q. I am asking, do you put it into overhead? A. Yes, under this definition of overhead.

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A. Yes, under this definition of overhead.

Q. I don't care anything about definition. Do you put it into overhead when you are costing? A. Well, so long as we get it into the cost we do not care about the distinction of what is overhead and what is labour, or something else. That is, you will find a great deal of difference of opinion as to what belongs in overhead and what belongs in some other element of cost.

Q. There is one thing we won't have any difference on, and that is as to whether interest on bonds should go in labour or not. Now, I want to know where you put it in your costing. I thought you had an expert system of costing, and that you were able to give it to any mill that wanted to come along. Now, tell us, under your system, where you put interest on bonds? A. If you will take the broad definition of overhead to be everything except labour and certain materials, then interest on bonds is an overhead.

Q. Have not you got some kind of sheet that you go by, that is, an index to it, a key to a costing system; have not you got that? That might guide us, if you were able to say, "That is our system, and those are the items." A. Well, every Textile mill has some technicalities of its own, so that everywhere the basic system, as in every other system, will differe slightly.

Q. I am only asking for your method, your basic method. There is no difficulty about that, is there?

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A. I do not think so.

Q. And I am not laying any traps for you, or anything, but I am just trying to get what your method is, because you quite understand that my associates and myself have to make something of a study of these things, and I certainly cannot study anything you are telling me yet, because I cannot get it definite enough? A. Well now, if I had known that you were as much interested in the costing method as this, I would have brought up here a pamphlet in which the thing is worked out, and I would be glad to do that the next time I come here.

Q. All right, kindly mail one of them? A. It is the publication of the National Association of cotton manufacturers.

Q. It is a publication of the National Association of Cotton Manufacturers, you say, but is it your pamphlet, did you prepare it, your firm? A. We prepared it for the costing committee of the National Association of Cotton Manufacturers.

Q. I see. Well then, you might send us up that pamphlet, mail it to Mr. Whiteley, and we will be glad to have it. But now that I have you here I want to ask you as many questions about it as I can. I might not understand it when I get it, - the chances are I won't. At any rate, you say that bond interest, under your system, comes into cost anyway? A. Yes.

Q. Does interest on investments go into cost?

A. I do not think so.

Q. And I am not laying any traps for you, or anything, but I am just trying to get what your meaning, because you quite understand that my associates and myself have to make something of a study of these things, and I certainly cannot study anything you are telling me yet, because I cannot get it definite enough. Well now, if I had known that you were so much interested in the costing method as this, I would have brought up here a pamphlet in which the thing is worked out, and I would be glad to do that the next time I come here.

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A. Normally, yes.

Q. What are you talking about normally, for? I am not dealing with anything that is abnormal, such as bankruptcy or anything like that. What do you mean by saying "normally"? A. Interest on investments is considered a part of costs, and we recommend the inclusion of interest on investments.

Q. Is it done by your clients? A. Frequently.

Q. Well, what interest on investments do you mean, that is, interest on common stock?

THE COMMISSIONER: And the rate of interest.

BY MR. McRUER: Q. Yes, and what rate of interest? A. It, of course, varies with the Company, but in the data which we submitted to Judge Sedgewick, which would be typical for you to consider, we use interest at 5 per cent. The Cotton Textile Institute in New York, recommends interest at 6 per cent.

Q. I see. What did you calculate the interest at 5 per cent. on? A. Upon the depreciated value of the plant and equipment.

Q. The depreciated value of the plant and equipment? A. Yes, plus the inventories, plus the accounts redeivable.

Q. Yes? A. Minus accounts payable.

Q. You do not allow interest on surplus? A. If it is invested in inventories or accounts receivable, yes. If it is invested in outside securities, no.

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A. If it is invested in inventories or accounts receivable, yes. If it is invested in outside securities.

Q. Quite. Of course, they would be bearing interest if they were invested in outside securities? A. Yes.

Q. Therefore, you would add, as a cost to the cost of manufacture to-day, the surplus that the Company had built up in the past, interest on the surplus that the Company had built up in the past, unless it was invested in outside securities? A. Yes.

Q. And, therefore, the Company that had distributed its wealth in paying good wages in the past and did not have that surplus to-day, would be entitled to costs lower than the Company that had paid small wages and built up a big surplus in the past? A. No.

Q. Why not? A. Because the Company that had paid out more than it could afford inthe past would be borrowing money, and it would be --

Q. I am not talking about paying out more than it could afford to pay. I am dealing with a surplus, and the Company could use its surplus either to build up a lot of plants that they did not need in hard times or they could pay it out in wages in good times, and then have a small overhead when hard times came along, and, in that case, the latter company would be entitled to costs lower than the other company under your system, and, therefore, I might suggest that the cost of paying or charging interest on surplus should not prevail when you are discussing a tariff matter? A. Well, I don't agree with you.

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A. Well, I don't agree with you.

Q. Well, wherein am I wrong? A. The mill that has built up a surplus has built it to invest that surplus in improved machinery, and in keeping up their properties, in general, or are using it in inventories. If they built up a surplus that they did not need to keep their plants effecient, then it would be an outside investment and we would not put it into cost.

Q. But if a mill had built up a larger overhead than they needed, still you would charge interest on investment? A. You might find cases where a plant had over expended.

Q. If a mill has built up a plant, with a very high protection, ~~it is~~ a protection that is considered by the people, as a whole, to be too high, then you would still charge interest on the investment in that machinery; that machinery might become idle; if the tariff came down, well, you would charge interest in investments, in costing? A. Only if the mill had invested that surplus that they had earned in plant or equipment, or were using it in the business. If they have built up a surplus that they using for any other purpose, if they own property that they are not using in their business, well, that interest would not be in the cost.

Q. Did you visit the Sherbrooke Cotton Mill? A. Yes, sir.

Q. How many looms did you see there that were not operating? A. In the rayon department I saw quite

Q. Well, wherein am I wrong? A. The mill that has built up a surplus has built it to invest that surplus in improved machinery, and in keeping up their properties, in general, or are using it in inventories. If they built up a surplus that they not need to keep their plants efficient, then it would be an outside investment and we would not put it into cost.

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Q. Did you visit the Dentroons Cotton Mill?

A. Yes, sir.

Q. How many looms did you see there that were not operating? A. In the cotton mill

a few looms that are not operating at the present time.

Q. In the cotton division too, how many looms did you see that were not operating? A. I saw quite a large block in the cotton department of looms that had recently been transferred from another plant, and that I understand now they are in process of repairing those looms to run; that is the only large block of cotton looms that were idle.

Q. They are preparing for better and bigger business? A. They were transferring looms from another plant, and they will be run here instead of somewhere else.

Q. And how many looms in the rayon division did you find that were not operating? A. I did not count them, but a few hundred.

Q. A few hundred? A. Yes.

Q. And is it fair to charge interest on investment in those looms as against cost in the Sherbrooke mill? A. If those looms would normally be used, it is perfectly proper to put interest on them in the cost.

Q. You say, "Normally be used"? A. If they would.

Q. When you inspected the Dominion Textile product, did you take looms that were idle into consideration? A. Most of the mills, - as we took the plants, as a whole, and most of those mills were running at a fairly large degree of capacity--

Q. To what degree of capacity? A. Well now, I would say---

a few looms that are not operating at the present t

Q. Do the Saint Hyacinthe Co., for your looms

did you see that were not operating? A. I saw qu

a large block in the cotton department of looms that

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of somewhere else.

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did you find that were not operating? A. I did

not count them, but a few hundred.

Q. A few hundred? A. Yes.

Q. And is it fair to charge interest on investment

in those looms as against cost in the Cowansville mill?

A. If those looms would normally be used, it is

perfectly proper to put interest on them in the cost.

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would.

Q. When you inspected the Dominion Textile produc

did you find looms that were idle and scrapped?

A. Most of the mills, - as we took the plants, as

a whole, and most of those mills were running at a

fairly large degree of capacity--

Q. To what degree of capacity? A. Well now,

I have a

Q. I don't want you to guess at it. It is not fair to me, I am not an expert; did you make any investigation to find out? A. Yes, and generally it ran around 80 per cent. of a full shift.

Q. Did you guess at the basis of 80 per cent. of the full shift? A. We went upon the actual operation for the fiscal year preceding the time the data was considered--

Q. I say, did you guess on the basis of 80 per cent. of volume? A. In those mills that were running 80 per cent., yes.

Q. Well, you must have got your costs from the mills themselves, and were they or were they not running 8 0 per cent.? A. That is a fair degree for us to take, about--

Q. Is it fair to guess on a basis of 80 per cent. of volume? A. Yes.

Q. You say it is fair? A. Yes.

Q. You take what might be a peak and guess on that basis, or you might guess on a basis of 50 per cent. When you are considering a tariff, considering what might be a proper tariff, you might guess on a basis of 50 per cent., or what might be a peak? A. Why, I do not see any reason for figuring on a basis of 50 per cent. unless conditions are very abnormal at the moment.

Q. Well, if an industry has probably over expanded in abnormal times, we will say under an

Q. I don't want you to guess at it. It is not fair to me, I am not an expert; did you make any investigation to find out? A. Yes, and generally it ran around 80 per cent. of a full shift.

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Q. Well, if we increase his possibly over operated in abnormal times, we will say under an

abnormal protection; do you think it is a fair basis to guess on the basis of 80 per cent., as an expert.

A. Now, I do not want to be general and give information that is not helpful, but it is usual to find a variation from period to period in the demand for textiles, and the cotton textile institute, in New York, in advising their members on cost methods frequently advise them to figure on less than 80 per cent. of capacity.

Q. I should have thought so. Well, what per centage do they advise them to figure on? A. They advise them to figure on the percentage which their past experience indicates should be accepted.

Q. They certainly would not advise them to figure on the experience of a year, just the past year? A. They usually take a year as a basis.

Q. A particular year? A. The past year.

Q. The past year? A. Yes. But if that year was very abnormal, they would expect to look at a longer period of experience.

Q. Yes. Now, if you go back to the capacity that is built up under normal conditions of any kind, one cannot intelligently work it against anything having an abnormal condition.

A. Well, one should not base their cost calculations upon a strictly abnormal period.

Q. Yes. A. That would be misleading to everybody.

Q. Now, you told me, or you told my friend,

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A. Well, one should not base their cost calculations upon a strictly abnormal period.

Q. Yes. A. That would be misleading to everybody.

Q. Now, you told me, or you told my friend

that for 15 years you had been the consultant to the Canadian Mills, or 80 per cent. of the Canadian mills? A. No.

Q. Well, I made a mistake, then? A. We began our work with the Canadian mills 15 years ago and we have, in that period, worked with 80 per cent. of the Cotton Textile Industry.

Q. 80 per cent.? A. Yes, but it did not begin with 80 per cent. fifteen years ago.

Q. Did you learn, in your investigations, 15 years ago, that the Canadian mills in Canada were doing very well? A. Off-hand, I don't just remember the exact position 15 years ago, but, generally speaking, the industry in Canada has done fairly well.

Q. The Industry in Canada has done very well? A. Fairly well.

Q. Well, from 1921 to the year 1926, could not, in any sense, be considered a boom. In considering normal activity in mills, insofar as the Dominion of Canada is concerned? A. Well, off-hand, I am not in a good position to answer that question. If there is any boom time in there, I did not know about it.

Q. No, I don't think you did. Well, during that period, the Canadian mills were doing very well, paying dividends, building up a surplus, we have learned so far in our investigations, and I think we will learn more about them later. And you told

that for 15 years you had been the consultant to the Canadian Mills, or 80 per cent. of the Canadian mills?

A. No.

Q. Well, I made a mistake, then? A. We began our work with the Canadian mills 15 years ago and we have, in that period, worked with 80 per cent. of the Cotton Textile Industry.

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Q. The industry in Canada has done very well?

A. Fairly well.

Q. Well, from 1921 to the year 1929, could not, in any sense, be considered a boom. In considering normal activity in mills, inasmuch as the Dominion of Canada is concerned? A. Well, off-hand, I am not in a good position to answer that question. If there is any boom time in there, I did not know about it.

Q. No, I don't think you did. Well, during that period, the Canadian mills were doing very well, prima facie, judging by a surface, as you have learned so far in our investigations, and I think we will learn more about them later. And you said

my friend, that in the United St ates the New England Mills were falling off at the rate, I think, of a million spindles per year? A. That is true, prior to the adoption of the N.R.A. Code.

Q. Yes, but going back to that period in the 20's, I understood you to say, that in the New England Mills business was falling off, that the decline since 1924 there had been a decline in seven years of a million spindles per year; that is the note I took down? A. That is approximately correct, yes.

THE COMMISSIONER: Yes.

BY MR.McRUER: Q. Why do we find that in the United States the New England mills were falling off at the rate of a million spindles a year, while in Canada the mills were doing quite well? We find where one company was paying a bonus in 1927 and 1928 on its common stock. Now, why was it they were falling off in the United States and doing well in Canada? A. They were falling off in the New England States, because Massachusetts, which was the principal textile state in New England, had gone away out in advance of the industry, had adopted the 48-hour law, had paid higher wage rates than other sections, had higher taxes than other sections, and the result of that was that machinery manufacturers encouraged interests in the south where hours were longer, wages were lower, to duplicate the equipment that was in Massachusetts, and take the markets away from the

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THE COMMISSIONER: Yes.

BY MR. MORRISON: Q. Why do we find that in the United States the New England mills were falling off at the rate of a million spindles a year, while in Canada the mills were doing quite well? We find where one company was paying a bonus in 1927 and 1928 on its common stock. Now, why was it they were falling off in the United States and doing well in Canada? A. They were falling off in the New England states, because Massachusetts, which was the principal textile state in New England, had gone away out in [illegible], had [illegible] low-cost [illegible], had paid higher wage rates than other sections, had higher taxes than other sections, and the result of that was that [illegible] manufacturers [illegible] interests in the south where hours were longer, wages were lower, to duplicate the equipment that was in Massachusetts, and take the markets away from the

Massachusetts mills.

Q. Why was it the Canadian Mill was doing well at that time? A. Conditions throughout the Canadian industry were reasonably uniform as to wage rates.

Q. You say "reasonably uniform." Again I want to get a little more down to brass ~~take~~ tacks, if I may use that expression. You have given us the reason for the New England Mills falling off. Now, I want to get your diagnosis of the success of the Canadian mills? A. You had no place in Canada where labour was available for half the rate being paid by the Mills in Massachusetts. We had that in the United States.

Q. We had a low tariff, a comparative low tariff on Canadian goods at that time.

MR. GORDON: No, no.

MR. McRUER: I hear sounds of "No" coming from behind me, but I have the record of the Tariff Board which shows that it was low in 1927.

BY MR. McRUER: Q. I am suggesting to you, that they had a comparatively low tariff, at least the Textile people represented to the Tariff Board that it was low in 1927. What are your views in the light of that, as to the reason for the success of the Canadian Mills under those conditions?

(Page 1850 follows)

Q. Why was it the Canadian mill was doing well by the time 1897? A. Conditions throughout the Canadian industry were generally unknown to us.

Q. Was not Canadian industry [illegible]?

A. Not a little more than 24 years ago LABOUR, it is that correct? A. Yes.

Q. You have given us the reason for the New England Mills failing off. Now, I want to get your diagnosis of the success of the Canadian mills? A. You had no place in Canada where labour was available for half the rate being paid by the mills in Massachusetts. We had that in the United States.

Q. Do you had a low tariff, a comparatively low tariff on Canadian goods at that time.

MR. GORMON: No, no.

MR. McCUBE: I hear sounds of "no" coming from behind me, but I have the record of the Tariff Board union shows that it was low in 1897.

MR. [illegible]: I am speaking in [illegible], that they had a comparatively low tariff, at least the textile people represented to the Tariff Board that it was low in 1897. Now are you clear in the light of that, as to the reason for the success of the Canadian Mills under those conditions?

(Page 1500 follows)

A. The difference between the situation among Canadian mills and among the American mills differed in that you did not have the extreme variation in competition conditions.

Q. The extreme variation being that there was no place where they were paying high wages in Canada? A. No, not that.

Q. Massachusetts went on the rocks, you told us, by -- the mills in Massachusetts went on the rocks by starting in on a 48 hour week and high wages?

THE COMMISSIONER: By reason of the law.

MR. McRUER: By reason of the law, yes. The law compelled them to go on a 48 hour week and to pay higher wages. Now, would it be fair to conclude then that they succeeded in Canada by paying low wages, and longer hours? A. No, I would not say that because their wages were higher than our southern mills and their hours were no longer.

Q. Were their wages as high as the Massachusetts mills? A. Probably not.

Q. I should think very definitely not? A. No.

Q. No probables about it. A. I haven't the figures in front of me.

Q. Are their wages to-day as high as the American mills? A. Per week yes, but per hour no.

BY MR. HEWARD: Q. Per week yes and per hour no; is that the answer? A. Yes.

BY MR. McRUER: Q. Per week; you mean working 55 hours as against 48 or 40 in the United States?

Q. The statement further is [illegible] [illegible] mills are [illegible] the [illegible] mills advertise in that; are all very long and extreme activity in manufacturing conditions.

Q. The extreme variation being that there was no place where they were paying high wages in Canada?

A. Yes, sir, that.

Q. Massachusetts went on the rocks, you told us, by -- the mills in Massachusetts went on the rocks by starting in on a 48 hour week and high wages?

MR. COMMISSIONER: By reason of the law.

M. LOPER: By reason of the law, yes.

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Q. No problems about it. A. I haven't the figures in front of me.

Q. Are their wages to-day as high as the American mills? A. Per week yes; but per hour no.

[illegible]

Is that the answer? A. Yes.

By MR. MORGAN: Q. Per week; you mean working 50 hours as against 48 or 60 in the United States?

A. That is right. They got more for the longer week than our operators got for the shorter week.

Q. I want to get from you if I can what they do get in the United States. Now, take -- how much does a fixer on the weft spinner get in the United States; do you know? A. It varies greatly from one section to another. Most of the competition that is met by Canadian mills would come from the southern section of the United States.

Q. I am not worrying about the competition that is met by Canadian mills, because I do not think they meet any competition under the tariff as it is now, to speak of, from the United States. Just tell me what the rates are in the United States, first in the district that is comparable to the living conditions that we have in the Dominion of Canada?

A. I could not name offhand very many of the typical rates for specific jobs. I could name the average pay per week.

Q. There isn't such a thing as the average pay per week in this industry. For instance, we have it here that they go all the way from 12½¢ an hour up to 40 and 45¢ an hour. Now, you cannot come to an average pay per week. We have got to deal with people holding comparable jobs. Now, you made a statement that the wages are higher here than they are in the United States per week. Now, I want to check on that and get your authority for making it because --

MR. HEWARD: The average wages.

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are in the United States per week. Now, I want to
check on that and get your authority for making it
because --

MR. HEARD: The average wages.

MR. McRUER: There is no such thing as average.

MR. HEWARD: That is what his statement was, anyway.

THE COMMISSIONER: The report will tell us.

BY MR. McRUER: Q. Did you mean it was the average pay envelope you are dealing with? A. That is what we usually think of in every cotton mill in the United States, they probably know weekly what the average pay of their operators is.

Q. They get some man they pay a very high wage too and average him in with some they pay very low wages too. Do you think that gets us anywhere in comparing wage and labour conditions, and wage rates? A. You can compare it the other way but the industry as a whole in the United States keeps track of the average pay of their operators, and they had the minimum wage of $12.00 under the code.

Q. Well then, we are getting somewhere now. They have a minimum wage of $12.00 for how many hours? A. They had a minimum wage of $12.00 for 40 hours of work, during the code.

Q. $12.00 for 40 hours of work; well, that helps us. So that they could not pay any less than that, anyway? A. Not for a worker that was qualified. They had a six weeks period where they could pay less than that to a beginner, and they had some special arrangements where --

Q. Well, have you examined the wage rates in the United States?

MR. HEWARD: Let him finish his answer.

MR. McRUER: I am sorry. I was going on. There was

MR. McGUIGAN: There is no such thing as ave

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Q. Well then, we are getting somewhere now.

have a minimum wage of $12.00 for how many hours?

A. [illegible]

Q. $12.00 for 40 hours of work; well, that h

us. So that they could not pay any less than that

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United States?

MR. HEALD: Let him finish his answer.

MR. McGUIGAN: I am sorry. I was [illegible]

something more you wanted to say?

MR. HEWARD: Will you read that answer?

-- Reporter reads as follows:

"A.Not for a worker that was qualified. They had a six weeks period where they could pay less than that to a beginner, and they had some special arrangements where"--

THE WITNESS: They paid less than $12.00 per week to operatives who could not handle a normal task.

BY MR. McRUER: Q. That would apply to male and female help; that was the minimum for them all, $12.00 a week? A. Yes.

Q. I think you told us those rates are still prevailing? A. No; there are a great many mills that have gone below those rates since the code was done away with.

BY THE COMMISSIONER: Q. Those rates you referred to were rates provided by the code? A. By the code; yes, I stated that.

BY MR. McRUER: Q. Are there many mills that are still adhering to the rates provided by the code? A.There is a great deal of discussion at the Cotton Institute as to just how many are adhering to them and how many are not, but if you believe the testimony that was given before the committee in Washington hearing the discussion under the Ellenbogen Act you would believe that a large part of the mills had gone off of those standards.

Q. Well, you were making a comparison in your evidence that you gave, when you were examined by Mr.

something more you wanted to say?

MR. HOWARD: Will you read that answer?

— Reporter reads as follows:

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THE CHAIRMAN: They paid less than $12.00 per
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off of those standards.

Q. Well, you were making a comparison in you
evidence that you gave, when you were examined be

Heward, you made a comparison of the wage rates between Canada and the United States? A. Yes.

Q. You said the average pay was higher here than in the United States? A. I believe that is right.

Q. What average figure have you got in your mind when you say it is higher? How much a week?

A. Under the code --

Q. Just tell us that. Don't get off my question. What figure have you got in your mind for Canada when you say it is higher? How much a week?

A. Suppose I told you the figure I have in mind for the United States.

Q. No, I want the figure you have in mind for Canada as being the one that is higher, and we can check --

MR. HEWARD: Lower, he said; he said a lower hourly rate.

BY MR. McRUER: No, a higher pay envelope; how large a pay envelope for the worker in Canada did you have in your mind when you gave that statement, when you made your comparison? A. Something over $13.00 per week.

Q. Something over $13.00 per week? A. Yes.

Q. That is, you thought that the workers in Canada averaged over $13.00 a week? A. Yes.

THE COMMISSIONER: How many hours?

BY MR. McRUER: Q. For how many hours?

A. 55 hours.

Q. And do you think that the workers in the United States average less than $13.00 a week?

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MR. [illegible]: Never, he said; he said a lower ra
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BY MR. MORGAN: No, a higher pay envelope; how
large a pay envelope for the worker in Canada did y
have in your mind when you gave that statement, was
[illegible]
$12.00 per week.
Q. [illegible]
Q. What is, you thought that the workers in Ca
averaged over $18.00 a week? A. Yes.
THE COMMISSIONER: How many hours?
BY MR. MORGAN: Q. Not how many hours?
A. 55 hours.
Q. And do you think that the workers in the Un
[illegible]

A. We know of many mills making print cloths that average less than $13.00 per week.

Q. That is, many mills --

BYTHE COMMISSIONER: Q. For 55 hours?

A. In the States for 40 hours.

Q. You see, you are comparing 55 hours with 40 hours.

BY MR. McRUER: Q. Just let us take and examine the pay roll of the mill at -- the cotton mill at Sherbrooke and let us see the hourly rate that is paid down there. We have an exhibit that gives us the comparison between -- gives us the basic rate and the average rate earned per hour. Do you think you could turn that up for me, Mr. Whiteley? Oh yes, I have it here; exhibit 27, I think it is. The cotton division of the Sherbrooke mill. Now, you told us that the minimum under the code was $12.00 for a 40 hour week? A. With a few exceptions.

Q. With a few exceptions? A. Yes.

Q. Then, were there steps up from that that were fixed by the code? A. Yes -- no.

Q. They were not fixed by the code? A. No.

Q. What were the steps? How were they fixed? A. The rates above the minimum were left entirely to the workers and the management of the various mills. Anything that was satisfactory to the workers and the management was satisfactory under the code.

Q. What was the actual result? What was fixed between the workers and the management? How did that

A. The same as many mills making very little more than expenses have been during the week.

Q. That is, many mills --

ARTHUR GARMENT, K.C.: Q. For 55 hours?

A. In the system for 60 hours.

Q. You see, you are comparing 55 hours with 40 hours.

BY MR. MONTGOMERY: Q. Just let us take and examine the pay roll of the mill at -- the cotton mill at Sherbrooke and let us see the hourly rate that is paid down there. We have an exhibit that gives us the comparison between -- gives us the basic rate and the average rate earned per hour. Do you think you can turn that up for me, Mr. Whiteley? Yes, I have it here; exhibit 27, I think it is. The cotton divisions of the Sherbrooke mill. Now, you told us that the minimum under the code was $12.00 for a 40 hour week?

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Q. With a few exceptions? A. Yes.

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Q. They were not fixed by the code? A. No.

Q. What were the steps? How were they fixed?

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Q. What was the actual result? What was fixed between the workers and the management? Not did the

run? A. Well, while the code was in effect, and these minimum wages were being adhered to there were mills with types of fabric similar to Sherbrooke with a pay envelope of around $13.00 per week.

Q. I am getting at -- $13.00 for a 40 hour week? A. For the 40 hour week. That took in all the help in the mill including up through the overseers.

Q. That included up to the overseers? A. Yes.

Q. So that it ran 30 to 32¢ an hour? A. Approximately.

Q. Now, I just want to look at exhibit 27 and see how the Sherbrooke mills stacked up against that. These are the average hourly earnings. Drawing tenders, 24.16 cents; slubbers, 27.54 cents; intermediate tenders, 24.98 cents; speeder tenders, 26.58 cents; speeder doffers, 16.54 cents; weft spinners, 22.96 cents; weft doffers, 19.50 cents; way spinners, 23.18 cents; way doffers, 17.87 cents; cone winders, 23.61 cents; spooler tenders (Barker-Coleman), 26.69 cents; spooler tenders (Saco-Lowell), 23.36 cents; warpers (Barber-Coleman), 23.61 cents; warpers (Entwistle), 20.52 cents; tying-in hands, 25.49 cents; warper creelers, 26.56 cents; ply tenders, 27.16 cents; drawing-in hands, 23.81 cents; cloth weavers, 27.29 cents; battery hands, 16.25 cents; fabric weavers, 19.56 cents; quiller tenders, 22.40 cents; splicers, 21.74 cents.

MR. HEWARD: Was that exhibit 39 or 27?

THE COMMISSIONER: I meant to ask something at the beginning; was this cents per hour?

MR. McRUER: Yes, actual earnings. I am reading

Trial A. Well, while the code was in effect and those minimum wages were being adhered to there were mills with types of fabric similar to Sherbrooke with a pay envelope of around $12.00 per week.

Q. I am getting at -- $12.00 for a 40 hour week? A. For the 40 hour week. That took in all the help in the mill including up through the overseers.

Q. That included up to the overseers? A. Yes.

Q. So that it ran 30 to 32¢ an hour? A. Approximately.

Q. Now, I just want to look at exhibit 17 and show the shortcuts mills elected to operate that. These are the average hourly earnings. Starting from 24.16 cents; rubbers, 27.94 cents; intermediate to 24.08 cents; speeder tenders, 26.56 cents; special doffers, 16.54 cents; weft spinners, 22.36 cents; weft doffers, 19.50 cents; warp spinners, 22.18 cents; warp doffers, 17.87 cents; cone winders, 23.61 cents; special tenders (Merkur-Coleman), 21.69 cents; special tenders (Saco-Lowell), 27.30 cents; warpers (Merkur-Coleman), 25.61 cents; warpers (Saco-Lowell), 20.55 cents; slasher-in hands, 23.43 cents; warper creelers, 16.88 cents; pig reelers, 27.16 cents; drawing-in hands, 23.21 cents; cloth weavers, 17.29 cents; hosiery weavers, 16.58 cents; fabric weavers, 19.81 cents; quilter hands, 21.20 cents; [illegible], 21.74 cents.

MR. HOWARD: Was that exhibit 20 or 22?

THE COMMISSIONER: I meant to ask something at the beginning -- [illegible]

MR. McDUFF: Yes, actual earnings. I am trying

from 27.

THE COMMISSIONER: 27 was a pay roll.

MR. McRUER: I beg your pardon; this is calculated from 27. I said this was exhibit 27, but this was calculated from exhibit 27.

MR. HEWARD: Is it an exhibit?

THE COMMISSIONER: Exhibit 27 is the pay roll for the week ending February, 1st, 1936. These figures are calculated from that pay roll?

MR. McRUER: This was calculated from that. It has probably not been filed as an exhibit. It is taken from it.

THE COMMISSIONER: These calculations were struck off that exhibit?

MR. McRUER: Yes, I am sorry. I took it up in my file and I thought it said exhibit 27, but I see it is copied from exhibit 27.

THE COMMISSIONER: You mean calculated from it?

MR. McRUER: Yes.

MR. HEWARD: Are you producing that?

MR. McRUER: Yes, we can file it.

EXHIBIT NO. 145: Rates of wages calculated from exhibit 27, re the Dominion Textile Company, Sherbrooke, Quebec, cotton division.

MR. HEWARD: You want to file the original. Have you got a copy? You have only got one?

MR. McRUER: Well, I will file my copy.

Q. Now, had you any figures of that nature in your mind when you said that the wages were higher here than they were in the United States? A. You under-

from 27.

THE COMMISSIONER: 27 was a pay roll.

MR. McRUER: I beg your pardon; this is calculat
from 27. I said this was exhibit 27, but this was
calculated from exhibit 27.

MR. HEWARD: Is it an exhibit?

THE COMMISSIONER: Exhibit 27 is the pay roll fo
the week ending February, 1st, 1935. These figures
are calculated from that pay roll?

MR. McRUER: This was calculated from that. It h
probably not been filed as an exhibit. It is taken
from it.

THE COMMISSIONER: These calculations were struc

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MR. McRUER: Yes.

MR. McRUER: Yes, we can file it.

Rates of wages calculat
from exhibit 27, re the
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Sherbrooke, Quebec, cott
division.

MR. HEWARD: You want to file the original.

Have you got a copy? You have only got one?

MR. McRUER: Well, I will file my copy.

Q. Now, had you any figures of the 1 mature in
your mind when you said that the women were
when they were in the United States? A. You wo

stood that my statement was that the weekly pay was higher and that the hourly wage rate was lower, did you not?

Q. I understood that; did you realize that it was as much lower in the United States --

THE COMMISSIONER: In Canada.

BY MR. McRUER: Q. In Canada, as that? A. I had actual rates before me when I was looking up this question.

Q. You had rates before you? A. Yes.

Q. What rates did you have before you? A. The rates prevailing at Sherbrooke.

Q. You looked over those rates? A. I looked over the piece work rates and certain items I checked.

Q. What did you look over? A. I think the piece work rates. I was thinking primarily in terms of average pay per week, the average size envelope for a full week, because those figures were fresh in my mind from mills in the States.

Q. Well, just what did you examine in order to prepare you to make the statement of the comparative rates -- the comparative statement? You came here all the way from the United States to give some evidence in chief. Now, I want to know what you did examine in order to give expert evidence on your comparison between the wage rates here and in the United States? What did you examine here? A. Figures as to the average size pay envelope for full time.

stood that my statement was that the weekly pay was higher and that the hourly wage rate was lower, did not?

Q. I understood that; did you realize that it was as much lower in the United States --

THE COMMISSIONER: In Canada.

BY MR. MCMURRAY: Q. In Canada, as the fact?

A. I had actual rates before me when I was looking up this question.

Q. You had rates before you? A. Yes.

Q. What rates did you have before you?

A. The rates prevailing at Sherbrooke.

Q. The rates and what else? A. I looked over the piece work rates and certain items I checked.

Q. What did you look over? A. I think the piece work rates. I was thinking primarily in terms of average pay per week, the average size envelope for a full week, because those figures were fresh in my mind from mills in the States.

Q. Well, just what did you examine in order to prepare you to make the statement of the comparative rates -- the comparative statement? You came here all the way from the United States to give some evidence in chief. Now, I want to know what you did examine in order to give expert evidence on your comparison between the wage rates here and in the United States? What did you examine here? A. Figures as to the average size pay envelope for full time.

Q. The average size envelope for full time? A. At Sherbrooke.

Q. At Sherbrooke? A. Yes.

Q. Now then, where did you get the figures, from a pay roll? A. No, not directly from a pay roll. They were in the Montreal office of Dominion Textiles.

Q. Some figures that the Dominion Textiles gave to you? A. Yes, figures that they have on file there.

Q. Figures they had on file; and what did they purport to show, what they had on file, what did it purport to show? What were you asked to look at? A. The data that was available to me gave the jobs through the plant, the wage rates on the jobs and then I also asked about data with reference to their average pay of the operator, and that is all filed there at their office.

Q. Were you given something in regard to the average pay of the operator? A. I saw figures there and I don't remember the exact amount, but it was more than $13.00 per week per operative, and that is a figure that I know is typical of mills making the class of fabric made at Sherbrooke in the southern States.

Q. Well, did they show you their basic rate or the average --

BY THE COMMISSIONER: Q. Pardon me a moment;you say $13.00 a week. Is that what you said, $13.00 is typical of what? A. It is typical of

the pay under the code.

Q. Under the code? A. Yes.

Q. That was for 40 hours? A. For 40 hours and the pay for those mills that are still working 40 hours is probably less in most cases than it was during the code.

BY MR. McRUER: Q. Well now, can you tell me any of these mills that are less than $13.00 for 40 hours? We don't want to have generalities in this. It seems to me we have got into terrific generalities on your comparative statement of wages between here and the United States. Tell me the mills you are basing your statement on? A. I don't know that I ought to name specific mills. The data as to wage rates is generally given us in confidence, working with our mills.

Q. Have you in mind any specific mills? A. Yes.

Q. You have specific mills in mind in which you know that the average pay is less than $13.00 a week? A. Yes.

Q. Are the people clients of yours? A. Yes.

BY THE COMMISSIONER: Q. How low is that average? A. It is probably not far from $13.00.

Q. And it is for 40 hours? A. Yes.

BY MR. McRUER: Q. These mills are in the Southern States? A. Yes.

Q. And it is negro labour? A. No.

Q. Not negro people? A. No.

Q. They went there because of the low wage rates?

the pay under the code.

Q. Under the code? A. Yes.

Q. That was for 40 hours? A. For 40 hours and the pay for these mills that are still working 40 hours is probably less in most cases than it was during the code.

BY MR. MACKEN: Q. Well now, can you tell me why of these mills that are less than $13.00 for 40 hours? We don't want to have generalities in this. It seems to me we have got into terrific generalities on your comparative statement of wages between here and the United States. Tell me the mills you are basing your statement on? A. I don't know that I ought to name specific mills. The data as to wages taken is generally given up in particulars, dealing with our mills.

Q. Have you in mind any specific mills?

A. Yes.

Q. You have specific mills in mind in which you know that the average pay is less than $13.00 a week?

A. Yes.

Q. Are the people clients of yours? A. Yes.

BY THE COMMISSIONER: Q. How low is that average?

A. It is probably not far from $12.00.

Q. And it is for 40 hours? A. Yes.

BY MR. MONDEN: Q. These mills are in the Southern States? A. Yes.

Q. And it is negro labour? A. No.

Q. Not negro people? A. No.

Q. They went there because of the low wage rates?

A. Originally, yes.

Q. They took them down there because of the low wage rates and to be honest you find they pay higher wages there by a good bit per hour than they are in Canada? A. But the law --

Q. Just answer my question and we will get that on the record first. Just read the question.

-- Reporter reads question as follows:

"Q. They took them down there because of the low wage rates and to be honest you find they pay higher wages there by a good bit per hour than they are in Canada?"

A. The low wage rates which mills of the south --

Q. Just answer my question. You had it read to you. They are not paying lower wages there per hour than in Canada? A. Your question is so involved that I cannot answer it with yes or no.

THE COMMISSIONER: Would you read the question again, and so I can hear it.

-- Reporter reads question again as follows:

"Q. They took them down there because of the low wage rates and to be honest you find they pay higher wages there by a good bit per hour than they are in Canada?"

BY THE COMMISSIONER: Q. Do you find that?

A. They are now paying higher rates than is paid in the Canadian mills, per hour.

BY MR. McRUER: Q. That is in the part of the United States where there is the cheapest market that they can find, the cheapest labour market they can

A. Originally, yes.

Q. They took them down there because of the low wage rates and to be honest you find they pay higher wages there by a good bit per hour than they are in Canada? A. But the low --

Q. Just answer my question and we will get the record on the record first. Just read the question.

-- Reporter reads question as follows:

"Q. They took them down there because of the low wage rates and to be honest you find they pay higher wages there by a good bit per hour than they are in Canada?"

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MR. COMMISSIONER: Would you read the question again, and so I can hear it.

-- Reporter reads question again as follows:

"Q. They took them down there because of the low wage rates and to be honest you find they pay higher wages there by a good bit per hour than they are in Canada?"

MR. TEN CATE: Q. Do you find that?

A. They are now paying higher rates than is paid in the Canadian mills, per hour.

MR. A. McPHEE: Q. That is in the part of the [illegible]

find in the States for the textile industry?

A. The cheap labour market which attracted these mills to the south no longer exists. It was abolished by the code.

Q. In other words, the people that they got to work at low prices were emancipated? Is that it?

A. You can put it that way.

BY THE COMMISSIONER: Q. Pardon me; the code no longer exists down there? That is right?

A. Yes.

Q. I thought you said a while ago that while they have adhered to the 40 hour week they are paying lower wages than the code provided for and those are the ones that you say are still paying higher than what you find in Canada? A. Yes, my lord.

Q. Why do you say the cheap labour is no longer there? The code is not there to bind them to it?

A. No, but generally speaking the wage rates that were established under the code have been fairly well adhered to since the code. The slipping away from them has been gradual and a great many mills still pay the minimum.

Q. But you have in mind now, and you told us you did not want to reveal the names of the mills that since the code has been out of force are paying less than they had to pay under the code? A. Yes, my lord.

BY MR. McRUER: Q. Now, would it have had any effect on your evidence if you had known that in one of the very large mills in Canada even to-day there are

find in the States for the textile industry?

A. The cheap labour market which attracted these mi
to the south no longer exists. It was abolished
the code.

Q. In other words, the people that they got to
work at low prices were emancipated? Is that it?

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BY THE COMMISSIONER: Q. Pardon me; the code no
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Q. I thought you said a while ago that while
have adhered to the 40 hour week they are paying
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from them has been gradual and a great many mills
still pay the minimum.

Q. But you have in mind now, and you told me
did not want to reveal the names of the mills the
since the code has been out of force are paying l
than they had to pay under the code? A. Yes
lord.

BY MR. MCKEON: Q. Now, would it have had any
effect on your evidence if you had known that in
some large mills in Canada even to-day the

629 employees out of 2,000 receiving less than 21 cents an hour? A. What is that?

MR. HEWRARD: Read the question again.

-- Reporter reads question as follows:

"Q. Now, would it have had any effect on your evidence if you had known that in one of the very large mills in Canada even to-day there are 629 employees out of 2,000 receiving less than 21 cents an hour?"

THE WITNESS: I don't think that would have changed my conclusions because that represents less than 20% of your industry.

BY MR. McRUER: Q. Well, pray what investigation did you make in regard to the other 80% of the industry? You took a few figures that were given to you in the office of the Dominion Textile Company, didn't you? A. But --

Q. Just a moment, now; isn't that a fact that you based your evidence entirely on a few figures that were given to you in the office of the Dominion Textile Company? A. No.

Q. Where else did you get your information as to the Canadian wage rates? A. From our contact with the balance of the industry during a period of years.

Q. What is your contact? Tell me the other companies you considered in forming your basis on which you gave your evidence? A. Mills which we have --

Q. Name them; I want to get their wage rates from you. We cannot have these generalities from an

629 employees out of 2,000 receiving less than 21
cents an hour? A. What is the?

BY, [illegible] THE WORKING [illegible].

-- Reporter reads question as follows:

"Q. Now, would it have had any effect on your
evidence if you had known that just one of the
very large mills in Canada even to-day there
629 employees out of 2,000 receiving less than
21 cents an hour?"

THE WITNESS: I don't think that would have c
my conclusions because that represents less than 3
of your industry.

BY MR. MORGAN: Q. Well, pray what investigat
did you make in regard to the other 93% of the ind
You took a few figures that were given to you in
the office of the Dominion Textile Company, didn't
A. But --

Q. Just a moment, now; isn't that a fact that
based your evidence entirely on a few figures tha
given to you in the office of the Dominion Textile
Company? A. No.

Q. Where else did you get your information ab
Canadian wage rates? A. From our co
with the balance of the industry during a period o
Q. What is your contact? Tell me the o
compilers you considered in forming your basis on
you have your evidence? A. Mills which we
have --

Q. Name them; I want to get their wage rates

efficiency expert, if I may suggest that.

A. I have testified with reference to the rates at Sherbrooke. I haven't the data with me regarding all the other mills.

Q. Well, I am giving you one of them, and a very large one, you must admit. Now, do you know how many are getting under 21 cents an hour out at the Montreal Cottons? A. No.

Q. Have you any idea? A. I would not want to guess.

Q. No, I would not expect you to. Do you know how many are getting under 21 cents an hour at the Canadian Cottons? A. We did not investigate any figures with reference to that particular dividing point.

Q. Doyou know how many are getting under 30 cents an hour at either of those two? A. No; we saw no reason to split the figures up along that line.

Q. I should have thought if 30 cents an hour seemed to be about the prevailing rate in the United States, or about the minimum rate over there, that that would have been a very convenient place to start at?

A. I testified that your rates per hour were less than 30 cents and how much less I did not try to find out.

Q. Now, we would have been rather interested -- I am interested to know -- that will be another exhibit. I have quoted from it and I think I should put it in.

efficiency expert, if I may suggest that.

A. I have testified with reference to the rates of [illegible] coke. I haven't the data with me regarding the other mills.

Q. Well, I am giving you one of them, and a very large one, you must admit. Now, do you know how are we ever under 21 cents an hour cost at the mill in Ontario?

A. No.

Q. Have you any idea?

A. I would not want to guess.

Q. No, I would not expect you to. Do you know how many are getting under 21 cents an hour at the Temples Bottom?

A. We do not investigate any figures with reference to the rates of similar dividing point.

Q. Taken from how many are getting under 20 cents an hour at either of those two?

A. No; can no reason to split the figures up along that line.

Q. I should have thought if 50 cents an hour was to be about the prevailing rate in the United States or about the minimum rate over there, that the t[illegible] have been a very convenient place to start at?

A. I testified that your Bottom per hour were [illegible] than 30 cents and how much less I did not try to [illegible] out.

Q. Now, we would have been rather interested - as interested to know -- that will be another [illegible] I have quoted from it and I think I should put it

MR. HEWARD: We will get a copy and check that.

THE COMMISSIONER: These are the computations you have just read, taken from exhibit 27.

MR. HEWARD: May we have it in the evidence as to who drew this up?

MR. McRUER: Mr. Whiteley.

MR. HEWARD: Mr. Whitely drew this up; we might want to consult with him.

MR. McRUER: It is merely an arithmetical calculation; if it is not right we will have it right.

THE COMMISSIONER: It is exhibit 14b, calculations based on exhibit 27.

MR. HEWARD: Can you spare me a copy, Mr. McRuer?

MR. McRUER: I only have two copies.

THE COMMISSIONER: I will give you this one.

MR. HEWARD: We have one, sir; I beg your pardon, my lord.

BY MR. McRUER: Q. Now, another aspect of the industry that you gave us some information on. I think you told us that the labour cost per cent.--

MR. HEWARD: Per unit.

BY MR. McRUER: Q. The labour cost per unit was higher in Canada than in the United States?

A. Yes.

Q. You base that on what? A. I base it upon some tests that I made of the labour cost of specific fabrics made at Sherbrooke and in other mills in Canada with costs that I know for the southern mills in the same fabric.

Q. Just give us the fabric that you tested the

have just read, taken from exhibit 87.

MR. GERALD: May we have it in the evidence as who drew this up?

MR. MORGAN: Mr. Whitely.

MR. GERALD: Mr. Whitely drew this up; we might want to consult with him.

MR. MORGAN: It is merely an arithmetical calculation; if it is not right we will have it right.

MR. COMMISSIONER: It is exhibit 148, calculated based on exhibit 87.

MR. GERALD: Can you spare me a copy, Mr. Morgan?

MR. MORGAN: I only have two copies.

MR. COMMISSIONER: I will give you this one.

MR. GERALD: We have one, sir; I beg your pardon for a.

BY MR. MORGAN: Q. Now, another aspect of the industry that you have us some information on. I - you told us that the labour cost per coat.--

MR. GERALD: Per unit.

BY MR. MORGAN: Q. The labour cost per unit was always in doubt this is the point Mr.GERALD?

A. Yes.

Q. You base the t on what? A. I base it upon some tests that I made of the labour costs specific fabrics made at Amherstburg and in other in Canada with coats that I know for the southern mills in the same fabric.

Q. Just give us the fabric that you tested

labour costs on that is made at Sherbrooke and the result of your tests? A. The fabric was a print cloth.

Q. Have you got it? A. Sixty and sixty-five, and thirty-five print cloth.

Q. Well, have you got it? A. No.

Q. You have not got the actual fabric? A. No.

Q. Well, give me the specifications of the fabric? A. It would be your 535 standard print cloth, cotton, made out of about thirties warp and forties filling.

Q. Oh, but about won't do.

A. Well, one mill will make it with one warp and another mill will make it with another.

Q. I know, but I was told at Sherbrooke -- or at Three Rivers -- when I was examining that question of costs, that it was a very important matter in determining the proportion of the labour cost to the unit as to exactly whether it was the same warp and the same weft and the same count and the same number of picks. That is what I was told when I was attempting to compare two articles. Now, I think we should be more specific. Give us the data on which you were basing your calculation that the unit cost was greater here, or at least the labour per unit cost was greater here than in the United States? A. On the fabric that is commonly known as print cloth and is usually constructed 38½ inch, 60 to 64 x 60, weighing 535 pounds per yard -- 535 yards per pound.

Q. Did you have a specific fabric before you?

A. Yes.

[illegible] Q. Have you got in the [illegible] result of your tests? A. The ratio was a [illegible] [illegible].

Q. Have you got it? A. Sixty and sixty-five and thirty-five point cloth.

Q. Well, have you got it? A. No.

Q. You have not got the actual ratio? A.

Q. Well, give me the specifications of the [illegible]

A. It would be, our DSS standard print cloth, cotton made out of about thirties warp and forties filling.

Q. Oh, but about wool?

A. Well, one mill will make it with one warp and [illegible] mill will make it with another.

Q. I know, but I was told at Cobourg -- or Three Rivers -- when I was examining that question [illegible] cotts, that it was a very important matter in determining the proportion of the labour cost to the unit as to exactly whether it was the same warp and the same weft and the same count and the same number of picks. That is what I was told when I was asked to compare two articles. Now, I think we should have more specific. Give us the data on which you were your conclusion that the unit cost was greater here or at least the labour per unit cost was greater here than in the United States? A. On the fabric that is commonly known as print cloth and is usually constructed 38½ inch, 60 to 64 x 56, weighing 5.5 pounds per yard -- 5.5 yards per pound.

Q. Did you have a specific fabric before you?

A. Yes.

Q. Then we can have that fabric with those specifications? A. Yes.

Q. Can you give me the figures as to how you worked out the labour cost in it? A. The labour cost was worked out according to our usual cost methods.

Q. Give us them. Give us the figures. I want them. I want you to file them. You came here from the United States to give that specific bit of evidence, I take it. Now, I want you to file the figures on which you base your evidence because I am going to examine them and find out whether you are right or not. A. I don't think there will be much difficulty about getting those figures, but I haven't them in my pocket. I haven't --

Q. Haven't you --

MR. HEWARD: Let him finish.

THE WITNESS: I haven't them in my pocket.

BY MR. McRUER: Q. Haven't you got them in your portfolio? A. No, sir.

Q. Do you mean you came as an expert to give an expert's calculations as to costs of labour per unit in the Sherbrooke mill and you did not bring a single figure to substantiate it? A. I did not bring any figures to file of that particular nature, but the facts I know.

Q. Well, I know, but I cannot cross-examine you on what is in your head. I can only cross-examine you on what you had before you when you were making — arriving at that opinion and arriving at what you know. Now, have we not got readily available the

Q. When we can have that Tsario with those exp
itionary? A. Yes.

Q. Can you give me the figures as to how you
worked out the labour cost in it? A. The
cost was worked out according to our usual cost
Q. Give us them. Give us the figures.
them. I want you to file them. You came here
the United States to give that specific bit of evi
I take it. Now, I want you to file the figures
which you base your evidence because I am going t
examine them and find out whether you are right o
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getting those figures, but I haven't them in my p
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Q. Haven't you --

MR. HOWLAND: Let him finish.

THE WITNESS: I haven't them in my pocket.

BY MR. MONDER: Q. Haven't you got them in yo
portfolio? A. No, sir.

Q. Do you mean you come as an expert to give
an expert's calculations as to costs of labour pe
unit in the Sherbrooke mill and you did not brin
single figure to substantiate it? A. I
bring any figures to file of that particular m
but the facts I know.

Q. Well, I know, but I
on what is in your head. I can only cross-ex
you on what you had before you when you were ma
Have we not got readily available

actual thing that you looked at when you made that calculation? A. I believe that could be made available, but I haven't it with me, and I have said so.

Q. Is it in existence? A. Yes.

Q. Where is it? A. I suppose it is in the office of the Dominion Textiles, Montreal.

Q. Where did you see it? A. I saw it in the office of the Dominion Textiles, Montreal.

Q. Then probably you might tell me what it was? A. It was one of the cost cards calculated under our usual cost method showing the labour cost on that pring cloth.

Q. On that particular print cloth? A. Yes.

Q. You looked at one particular print cloth only and concluded from that that the unit cost -- the labour per unit was higher here than in the United States? A. No, I looked at more than one.

Q. What other ones did you look at? A. That was the one I concentrated on, because it is such an important fabric and is used so widely in the States and here.

Q. That may be very true. After all, it is only one fabric. A. It is a very important fabric, and a typical print cloth fabric, and--

Q. I am accepting your word on that --

MR. HEWARD: Let him answer.

BY MR. McRUER: Q. A typical print cloth? A. A typical print cloth, and used as a standard in the United States and up here too.

actual thing that you looked at when you made that calculation? A. I believe the cost card was made available, but I haven't it with me, and I have said so.

Q. Is it in existence? A. Yes.

Q. Where is it? A. I suppose it is in the office of the Dominion Textiles, Montreal.

Q. Where did you see it? A. I saw it at the office of the Dominion Textiles, Montreal.

Q. Then probably you might tell us what it was? A. It was one of the cost cards calculated under the usual cost method showing the labour cost on that cloth.

Q. On that particular print cloth? A. Yes.

Q. You looked at one particular print cloth and concluded from that that the unit cost -- the per unit was higher here than in the United States? A. No, I looked at more than one.

Q. What other ones did you look at? A. That was the one I concentrated on, because it was an important fabric and is used so widely in States and here.

Q. That may be very true. After all, it is one fabric. A. It is a very important fabric and a typical print cloth fabric, and--

Q. I am accepting your word on that --

MR. MEWBURN: Let him answer.

BY MR. MONK, K.C.: Q. A typical print cloth? A. A typical print cloth, and used as a standard in the United States and up here too.

Q. How about rayons? Did you look into them at all, as to the unit cost of labour in rayons? A. No.

Q. Did not make any comparison with rayons? A. No.

Q. The rayons would give us a line in the cost accounting? A. Yes.

Q. Did you make calculations on costs in rayons for the Tariff Board? A. I think so.

Q. For the Textile Institute? A. Yes.

Q. I see. So that is another field that was not touched by my friend, but we will go into that in a moment. I want to go back to this unit cost --- the cost of labour per unit. Now, why is it higher here than in the United States? A. Because of the combination of wage rates, job assignments and market conditions that exist in Canada.

Q. Just a moment, plese, till we write these down. Because of the combination of wage rates, job assignments -- A. That is the work load. That means the work laod.

Q. What is the other? A. Market conditions.

Q. Market conditions; now, is that all? A. Those would be the three important elements in determining the effect --

Q. I want to know is that all. You see, I haven't had the opportunity of having an expert on these matters to consult with of your prominence before and I want to get all the information I can now when I have it. Is there anything else?

Q. How about rayons? Did you look into the
at all, as to the unit cost of labour in rayons?
A. No.
Q. Did not make any comparison with rayons?
A. No.
Q. The rayons would give us a line in the cost
accounting? A. Yes.
Q. Did you make calculations on costs in rayon
for the Textile Board? A. I think so.
Q. For the Textile Institute? A. Yes
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determining the effect --
Q. I want to know is that all. You see, I
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and I want to get all the information I can now whe

A. Those would cover most everything.

Q. Alright; now then, the combination that makes the cost of labour per unit higher in Canada than in the United States first is wage rates; well now, we will take, we will say, 100 yards of cotton. What contributing factor in the wage rates makes the cost of the labour per unit with a 100 yards of cotton higher in Canada than in the United States, dealing with the wage rates? A. Wage rates alone would tend to make it lower.

Q. Alright; then, taking that one of the combination out; these rates that are paid here per unit tend to make it lower? A. Right.

Q. That is an important thing that we have got disposed of.

THE COMMISSIONER: That is lower per hour?

MR. McRUER: Per unit.

THE COMMISSIONER: Lower in Canada.

MR. McRUER: Lower in Canada; the cost per unit would be lower in Canada than the United States having regard only to wage rates? A. If all other conditions were equal, yes.

Q. If all other conditions were equal?

A. Yes.

MR. HEWARD: Would you like to sit down?

THE COMMISSIONER: You better get through with this.

MR. McRUER: I don't just like to interrupt this investigation in the middle of it. Now, the next thing that you say tends to make the labour cost per unit lower in the United States than Canada is job

A. These would cover most everything.

Q. Alright; now then, the question that remains is that the cost of labour per unit of goods in Canada when compared with the United States times the wage rates; well now, we will take, we will say, 100 yards of cotton. What contributing factor in the wage rates makes the cost of the labour per unit with a 100 yards of cotton higher in Canada than in the United States, dealing with the wage rates?

A. Wage rates alone would tend to make it lower.

Q. Alright; then, taking that one of the contribution out; these rates that are paid here per unit tend to make it lower?

A. Right.

Q. That is an important thing that we have got disposed of.

THE COMMISSIONER: That is lower per hour?

A. Yes, sir.

THE COMMISSIONER: Lower in Canada.

A. MOLDER: Lower in Canada; the cost per unit would be lower in Canada than the United States in regard only to wage rates?

A. If all other conditions were equal, yes.

Q. If all other conditions were equal?

A. Yes.

Q. Well, you like to go ahead.

MR. CONNOR: Now, Mr. Commissioner, I don't want to interrupt the investigation in the middle of it. Now, the question that you may have to make is the labour cost would lower in the United States than Canada is just

assignments; what do you mean by that?

A. No, it is right the other way there.

Q. This is one of the three, job assignments; what do you mean by job assignments?

MR. HEWARD: He says it is the other way. It doesn't make it lower, it makes it higher.

BY THE COMMISSIONER: Q. What did you mean by that? A. I mean that job assignments offset the effect of wage rates.

BY MR. McRUER: Q. I think you were not listening to my question because I think I was stating it accurately. According to your evidence job assignments tend to make the labour cost per unit lower in the United States than Canada? A. Yes.

Q. Now, in what way do job assignments tend to make the labour cost per unit, per thousand yards, lower in the United States than in Canada?

A. Job assignments are such that we get more production per operative in the United States than in Canada.

Q. That is, you say that an operator in the United States has more machinery to look after, putting it a different way, I take it? A. Yes, more machinery and perhaps different speeds, more work.

Q. More machinery and more speed; that is, that he is getting out a bigger volume of production. Then, you agree with me that the more you mechanize the industry the less the labour cost per unit becomes? A. Yes.

Q. Yes; we had some suggestion that that was not true at one stage of this inquiry, but I thought it was.

assignments; what do you mean by that?

A. Sir, it is right the other way round.

Q. This is one of the three, job assignments; what do you mean by job assignments?

A. HERDT: He says it is the other way. It doesn't make it lower, it makes it higher.

BY THE COMMISSIONER: Q. What did you mean by that? A. I mean that job assignments affect the effect of wage rates.

BY MR. McKIM: Q. I think you were not listening to my question because I think I was stating it accurately. According to your evidence job assignments tend to make the labour cost per unit lower in the United States than Canada? A. Yes.

Q. Now, in what way do job assignments tend to make the labour cost per unit, per thousand yards, lower in the United States than in Canada?

A. Job assignments are such that we get more production operative in the United States than in Canada.

Q. That is, you say that no one at or in the United States has more ordinary to look after, putting it in a different way, I take it? A. Yes, more machinery and perhaps different speed, more work.

Q. More machinery and more speed; that is, that is getting out a bigger volume of production. Rather, you agree with me that the more you mechanize the industry the less its labour cost per unit has? A. Yes.

Q. Yes; you had some suggestion that that was only one stage of this industry, but I think it

A. It is normally true.

Q. That is normally true; and probably -- well, I am coming to another aspect of that I want to deal with. Then you speak of -- is there anything else in regard to job assignments other than the higher speeds and probably more machines to look after?

A. That would cover the elements that I can think of.

Q. Could you tell me how many looms a weaver will have in a cotton mill in the United States?

A. On this particular fabric, or in general?

Q. There again I suppose we are in difficulty, because it is hard to deal with one particular fabric, and we don't know what fabric you have dealt with, other than general statements about it?

A. I told you very definitely.

Q. Well, we haven't the specifications on it, which makes it difficult? A. I gave you the specifications, 38½ inch, 60 or 64 x 60, weighing 535, and that is definite enough to go and buy the cloth.

Q. What yarn? A. It would be print cloth yarn, print cloth warp and print cloth filling, which is --

Q. What size yarn? A. It varies a little between mills, but it is right around twenty-nines warp and thirty-eights or forties filling.

Q. Because if I am to take what is said seriously all this was emphasized with great detail to me a few days ago as being very important in considering

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Q. Well, we haven't the specifications on it,
which makes it difficult? A. I have you the
specifications, 38½ inch, 80 or 64 x 60, weighing
8oz, and that is definite enough to go and buy the
cloth.
Q. What yarn? A. It would be plain
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Q. What size yarn? A. It varies
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all this was commenced with great boldness to me a
few days ago as being very important in comparing

the difference when I was attempting to make a comparison of the labour cost per unit.

A. Excuse me; when I specified the width of the cloth as 38½ inches and specified the weight of the cloth as 53b yards to the pound I placed limits on the variation that could occur in those yarn counts, and made it definite.

MR. HEWARD: I was wondering if the witness would like to sit down. He has been standing on his feet for three hours.

THE COMMISSIONER: You hawe been standing a long time now.

THE WITNESS: I am content, thank you.

THE COMMISSIONER: It is half past four now, how much longer --

MR. McRUER: I haven't the slightest idea. I didn't think I would be nearly so long.

THE COMMISSIONER: Do you think we better take a few minutes. We usually sit to five o'clock and we are within half an hour of that now. We can take ten minutes if you like and that will give the witness a rest, anyhow. Adjourned for ten minutes.

(page 1875 follows)

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MR. MCNAIR: I was wondering if the witness wo
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for three hours.

THE COMMISSIONER: You have been standing a lo
time too.

MR. MCNAIR: I'm minded, thank you.

THE COMMISSIONER: It is half past four now,
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THE COMMISSIONER: Do you think we better take
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(page 1875 follows)

Q. Now, in addition to job assignments, market conditions were an element tending to make the wage cost per unit higher in Canada than the United States. What market conditions had you in mind? A. Well, the markets available to the Canadian mills are, of course, much smaller than the markets in the States and the variety of fabrics demanded is almost as great, so that orders are smaller and the number of looms that can be put on one fabric is much less.

Q. So that the consumer in Canada has necessarily to pay a higher price in order to get the selection than the consumer in the United States, if the Canadian public are restricted from buying outside of Canada? A. That is probably true.

Q. And are there any other market conditions that you have in mind other than the diversification of styles? A. The smallness of the order.

Q. That the Canadian consumer of manufactured goods cannot place as large orders as the American consumers and therefore you cannot have certain looms running on one ~~time~~ KIND for a long period of time - that is what you mean? A. That is right.

Q. Now, how much greater is the wage costs in Canada per unit than in the United States on a comparable article?

THE COMMISSIONER: Q. Did you say the "wage cost" ?

MR. McRUER: The labour cost, I beg your pardon.

Q. How much greater is the labour cost in Canada per unit than it is in the United States? A. I made some tests that indicated more than 10% higher.

Q. Now, in addition to job assignments, market conditions [illegible] the wage cost per unit higher in Canada than the United States. What market conditions had you in mind? A. Well, the markets available to the Canadian mills are, of course, much smaller than the markets in the States and the variety of [illegible] is almost as great, so that orders are smaller and the number of looms that can be put on one [illegible] is much less.

Q. So that the consumer in Canada has necessarily to pay a higher price in order to get the selection than the consumer in the United States, if the Canadian public are restricted from buying outside of Canada?

A. That is probably true.

Q. And are there any other market conditions that you have in mind other than the diversification of styles?

A. The smallness of the order.

Q. That the Canadian consumer of manufactured goods cannot place as large orders as the American [illegible] [illegible] a long period of time - that is what you mean?

A. That is right.

Q. Now, how much greater is the wage costs in Canada per unit than in the United States on a comparable article?

[illegible] Q. Did you say the "wage costs"?

[illegible] The labour cost, I say that [illegible].

Q. The labour cost in the finished [illegible] unit in Canada [illegible] it is in the United States?

that you were testing on? A. I did not check that. I would have to look back to my figures. I would be glad to do so however.

Q. You mean in giving your evidence here as an expert that the labour cost per unit is higher in Canada than the United States, and you cannot tell me what percentage the labour cost was in the article that you are talking about. A. Not as accurately as you would want it.

Q. Well, give it to me in any way that you can because I must confess I am a bit surprised that you would attempt to give any evidence about it without being able to tell us at least what percentage the labour was on that print that you are telling us about. Are you just figuring it now? A. Yes, because I did not calculate the percentage.

Q. Well, how did you determine that it was higher here than in the United States without calculating the percentage? A. Because I was thinking of the labour cost per unit of product in cents per pound.

Q. Tell us the figure and we can do our own calculations. What were the labour costs per unit in cents per pound that you had in mind - on this print now what was the labour costs per unit in cents per pound? A. The labour cost per unit that I had in mind in the States was 8¢.

Q. That is, 8¢ a pound? A. Yes.

Q. That is, in the United States? A. Yes.

Q. That is, on this print that you are telling us about? A. Yes, that is right.

Q. Now, what is the labour costs in Canada? A. Over 9¢.

Q. Well, how much over 9¢? A. I would be glad

that you were testing out? A. I did not check that.

I would have to look back to my figures. I would be glad to do so however.

Q. You mean in giving your evidence here as an expert that the labour cost per unit is higher in Canada than the United States, do you mean that in that percentage that labour cost in the United States you are including

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Q. That is, 8¼ a pound? A. Yes.

Q. That is, in the United States? A. Yes.

Q. That is, on this point that you are telling us about? A. Yes, that is right.

Q. Now, what is the labour costs in Canada? A. Over 9¼.

Q. Well, how much over 9¼? A. I would be glad

to get and produce the record that showed it to 1/100ths of a percent but I have not it in mind. I know it was over 9¢.

Q. Well, that is about a cent a pound more? How much lower would the wage rates be per pound, the wage rates themselves. We gave three component elements.

THE COMMISSIONER: Give the question again.

MR. McRUER: Q. How much lower were the wage rates in Canada?

THE COMMISSIONER: They are lower in Canada.

MR. HEWARD: He just said they are higher, wage rates per pound.

MR. McRUER: Q. The wage rates are lower? A. Wait. I would like to understand the question. When you say the "wage rates" do you mean the wage rates per hour?

Q. Yes, I mean the wage rates per hour because that is the basis upon which the rate per unit would be reckoned. A. I testified previously that the wage rates per hour are lower in Canada than they are in the United States.

Q. Now, we start off with our pound of print . .

MR. HEWARD: I do not think he has finished.

THE WITNESS: Now, the labour costs per unit of product on this print cloth construction that we are considering is higher in Canada than it is in the United States.

THE COMMISSIONER: Q. That is on account of ~~the~~ two of their factors - the labour assignment and the market, is not that right? A. Yes.

Q. Then why do you use the wages at one of the pre-factors? Wages work against your proposition. Your general statement is that labour costs on the article

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THE COMMISSIONER: Give the question again.

MR. McGUIGAN: Q. How much lower were the wage rates in Canada?

THE COMMISSIONER: They are lower in Canada.

MR. HEWARD: He just said they are higher, wage rates.

MR. McGUIGAN: Q. The wage rates are lower? A. I would like to understand the question. When you say

Q. Yes, I mean the wage rates per hour because that is the basis upon which the rate per unit would be reduced. A. I testified previously that the wage rates per hour are lower in Canada than they are in the United

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MR. HEWARD: I do not think he has finished.

THE WITNESS: Now, the labour costs per unit of product on this print cloth construction that we are considering is higher in Canada than it is in the United States.

THE COMMISSIONER: Q. That is on account of the two of their factors - the labour assignment and the machine is not that right? A. Yes.

Q. Then why do you use the wages at one of the two-factors? Wages work against your proposition. Your general statement is that labour costs on the article

are higher in Canada than in the United States. A. Yes.

Q. And you say it is made up of three elements - wages, work assignment and market? A. Yes.

Q. Then you immediately tell us, though, so far as wages are concerned wages are less here than in the United States per hour? A. Yes.

Q. Therefore, then, if the labour in the Canadian product is higher it must be on account of the two other factors? A. Yes, My Lord.

Q. Why do you work wages in at all since it does not make it higher, tends to make it lower here. A. I am just trying to show the picture exactly as it is. He has asked me regarding wages and I have testified the hourly rates in Canada are lower than the hourly rates in the United States.

Q. That disposed of the wage factor, does not it? A. The wage rates per hour.

Q. Yes. A. But the labour costs on which he is examining me now, the testimony is that the labour cost per unit of print cloth is lower ~~xxxx~~ in the United States than it is in Canada.

Q. On account of the other two factors . A. Yes.

Q. That is the work assignment or you call it job assignment and the market? A. Yes, sir.

Q. And you charge those two things to labour? A. No, my Lord, I am not.

Q. You do. You told us at the beginning that the cost of labour was higher in Canada and you were asked "why" and you said you considered three factors - wages,

are higher in Canada than in the United States. A. Yes.

Q. Can you say it is made up of three elements - wages, work assignment and market? A. Yes.

Q. Then you immediately tell us, though, so far as wages are concerned wages are less here than in the United States per hour? A. Yes.

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Q. You do. You told us at the beginning that the cost of labour was higher in Canada and you were asked "why" and you said you considered three factors - wages,

job assignment and the market, is not that right? A. Yes.

Q. Then you begin by saying so far as wages are concerned in reality they are lower in Canada per hour than they are in the United States? A. Yes, sir.

Q. But you say the job assignment is greater in the United States than in Canada on the article? A. Yes, and fully offsets - - -

Q. And there is a larger market in the United States than there is here? A. Yes.

Q. Therefore, those are the two things which make the Canadian labour costs dear in Canada? A. Yes, sir.

Q. And you charge both these to labour - market as well as job assignment: they are both part of labour in your mind. I mean you classify them as labour costs. A. No, my Lord, I simply am showing that the lower labour costs in the United S tates comes about - - -

Q. I am not saying you are wrong at all, probably you are right, because there they have a bigger market to begin with and then they can go into mass production on a scale that Canadian factories cannot do, on the bigger lines. A. Yes, but the bigger element and deciding factor is the amount of work and number of machines to an operator.

(Page 1885 follows)

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Q. But you say the job assignment is greater in the United States than in Canada on the article?

A. Yes, [illegible] actually - - -

Q. And there is a larger market in the United States than there is here? A. Yes.

Q. Therefore, those are the two things which make the Canadian labour costs dear in Canada? A. Yes, sir.

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Q. I am not saying you are wrong at all, probably you are right, because there they have a bigger market to begin with and then they can go into mass production on a scale that Canadian factories cannot do, on the bigger lines. A. Yes, but the bigger element and decisive fact is the amount of work and number of machines to an operator

Q. That is the job assignment? A. Yes.

Q. That is the big factor? A. Yes.

MR. McRUER: To be perfectly fair---

BY THE COMMISSIONER: Q. And that has to do with the perfection of machinery, and superior mechanization? A. I would think, that the Canadian Industry, on the average, had at least as good machinery as the mills in the States.

Q. Why then is the job assignment smaller? A. It is necessarily somewhat smaller, due to the short orders and the additional change that is required in the Canadian mill, and the other element.

Q. You mean the waste of time; that produces a waste of time? A. It takes up part of the operator's time; and the other element is that, generally speaking, the Canadian worker is called upon to do less work than competing mills in the Southern States.

BY MR. McRuer: Well now, would it be perfectly fair to put it this way, that in Canada the actual amount paid to the worker per pound is less than in the United States? A. No.

Q. The actual amount that goes into the worker's pocket, that he gets per pound is less than it is in the United States? A. No.

Q. Well, he gets less per hour than he gets in the United States, then? A. Yes, that is right.

Q. Yes, he gets less per hour, therefore, they

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Q. That is the big factory? A. Yes.

MR. McGUIRE: To be perfectly fair---

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pocket, that he gets per pound is less than it is i
the United States? A. No.

Q. Well, he gets less per hour than he gets in
the United States? A. Yes, that is right.

Q. Is that just your impression, Mr. Lopez?

justify paying him less per hour because there is not the market to give the large earnings to the mills. A. The market is a smaller element than the amount of work that the workers have been asked to do, or have been willing to do.

Q. Now, I am not asking you for figures of the amount of work the workers were asked to do; you cannot give me anything, I suppose, on the number of looms a man looks after; you cannot give me the number of spindles in the spinning department; you cannot give me any of that for comparative purposes, and you have not looked into it for comparative purposes? A. I have.

Q. You have? A. Yes.

Q. You have actually analysed? A. Yes.

Q. Well, have you got your analysis any place? A. In part.

Q. Where? A. Right here. It is my rough notes, but I can give you an example of what I mean.

Q. Let us have it, then, because I am awfully interested in it? A. There is nothing I can turn over to you because they are really pencil notes that I will have to interpret.

Q. Well, I am very good at interpreting.

MR. HEWARD: Would you like him to prepare a statement for you?

MR. McRUER: No, I would rather see notes just now, because we might not have him when the statement

Jewish people who have not been working there in
not the market to give the large earnings to the
A. The market is a smaller element than the amoun
of work that the workers have been asked to do, or
have been willing to do.

Q. Now, I am not asking you for figures of th
amount of work the workers were asked to do; you c
give me anything, I suppose, on the number of loom
man looks after; you cannot give me the number o
spindles in the spinning department; you cannot gi
me any of that for comparative purposes, and you h
not looked into it for comparative purposes? A. I
have.

Q. You have? A. Yes.

Q. You have actually analysed? A. Yes.

Q. Well, have you got your analysis any place

A. In part.

Q. Where? A. Right here. It is my
notes, but I can give you an example of what I mea

Q. Let us have it, then, because I am
actually interested in it? A. There is nothin
can turn over to you because they are really pencil
notes that I will have to interpret.

Q. Well, I am very good at interpreting.

MR. EWARD: Would you like him to prepare a
statement for you?

MR. MOTGER: No, I would rather see notes ju
because we might not have him when the statem

is prepared.

THE WITNESS: I am quite willing to come back. I understand I am to have that privilege. Now, that is the nature of the notes.

BY MR. McRuer: Let me see. Is this the United cost? A. This is typical job assignments in operations in Canadian mills --

Q. Well, I am dealing with that particular print that we have got just now, and I want to know what the job assignment was on the print here and on the same print in the United States; I do not want generalities. For experts like you and me, we could not deal with things like that. A. Yes, but you cannot thin the job assignment down to a particular fabric. When the cotton goes in at the beginning of the mill, nobody knows what fabric that is going into, and the job assignment is uniform in the picks, in the cards, in the frames, probably through the roving frames, and it is probably the same in the spinning.

Q. Yes, but you see that is what I want to do; I want to take this particular fabric that you had in mind here, that was shown to you in the office of the Dominion Textile Company, and then I was going to trace that through and see how many looms the girls looked after in the making of it; I want to see how many spindles the girls attended to, and all that, and then compare it with a similar fabric

is correct.

THE WITNESS: I am quite willing to come back. I understand I am to have that privilege. Now, what is the question of the moment.

BY MR. Moffatt: Let me see. Is this the U[illegible] coat? A. This is typical job assignments in operations in Canadian mills --

Q. Well, I am dealing with that particular p[illegible] that we have got just now, and I want to know wha[illegible] the job assignment was on the print here and on th[illegible] same print in the United States; I do not want generalities. For experts like you and me, we could not deal with things like that. A. Yes, but you cannot thin the job assignment down to a particular fabric. Once the prints are in ex[illegible] beginning of the mill, nobody knows what fabric th[illegible] is going into, and the job assignment is uniform in the picks, in the cards, in the frames, probab[illegible] through the roving frames, and it is probably the same in the spinning.

Q. Yes, but you see that is what I want to d[illegible] I want to take this particular fabric that you ha[illegible] in mind here, that was shown to you in the office of the Dominion Textile Company, and then I was g[illegible] to trace that through and see how many looms the girls looked after in the making of it; I want to see how many spindles the girls attended to, and all that, and then compare it with a similar fabr[illegible]

in the United States, because you see I might check some company thatyou did not work for. Now, can you give me that? A. I think if you will ask me regarding a typical job from the Sherbrooke plant I could tell you.

Q. Oh no, I am talking about this print, because I was thrown off the track the other day in making the very comparison that you and I are trying to make now, on a fabric that I thought was the same fabric, but on starting to try and compare the manufacture of it one year with the other, I was told that you had to be so careful about the number of picks and counts, so, therefore, I want to take the print that you base your evidence on, and then I am going to trace that through the Dominion Textile Mills and see what the job assignments were on it. Then I am going to get a similar print in the United States and see hat the job assignments were on it, and see if we can get right down to the reason for the lower labour cost per unit in Canada as compared to the United States, and the lower wage rate in Canada--

MR. HEWARD: It is a higher unit cost.

MR. McRUER: You say it is a higher unit cost?

MR. LANCTOT: They do less work for the same money.

MR. McRUER: We might as well get that complete. The wage rate per unit of piece work is higher in Canada.

in the United States, because you see I might co
some company that did not work for. Now,
you give me that? A. I think if you will
me regarding a typical job from the shipbooks,
I could tell you.

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because I was thrown off the track the other day
in making the very comparison that you and I are
to make now, on a docket that I thought was the s
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the lower labour cost per unit in Canada as compa
to the United States, and the lower wage rate in
Canada.

MR. [illegible]: It is a highly [illegible] point.

[illegible]

[illegible]

[illegible]: Do plies as well as that complete
[illegible] per unit of piece work is higher in

THE COMMISSIONER: Do you mean this, that while the American worker gets more money for his dollar he produces more goods, and that is due though to the superior sort of machinery he is operating, and also, to some extent, to the less number of changes required.

MR. HEWARD: The greater variety of styles the shorter orders. But what my learned friend was said was that the wages per unit were lower in Canada. The wages per unit of piece work are higher. I think that has been made clear by the witness, and that the wage rates per unit of time are lower in Canada. It is the unit of time and unit of piece.

MR. McRUER: Well, I probably confused it. There is one thing the labouring man is interested in, and that is how much he gets per hour, and on the other hand the mill operator is interested in how much production he gets per hour.

BY MR. McRUER: Q. But can you give me anything specific on which you base your evidence so that I can, after you leave, dig through to find out from the proper people, that is, the Dominion Textile, all about the job assignments in it? A. I have done so.

Q. Well, I have not got the job assignment for that particular print? A. No, but I have given you the fabric.

HIS COMMISSIONER: Do you mean this, that an
the American worker gets more money for his dollar
he produces more goods, and that is due though to
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Mr. MACAY: Well, I probably misheard it.
There is one thing the Commissioner is interested
and that is how much he gets per hour, and on the
other hand the mill operator is interested in how
much production he gets per hour.

Mr. Macay: . But can you give us anything
specific on which you base your evidence so that I
can, after you leave, dig through to find out from
the proper people, that is, the Legislation Branch,
all about the job rate matters in it? . I have
some idea.

. Well, I have not got the job assignment for
that particular print? . No, but I have give
you the figures.

Q. Now, you can give me the job assignment on that fabric in the United States? A. Yes, I can.

Q. Well, all right, go ahead and do it, read it into the record so that we can check it up.

A. The job assigments in the card room, on the cards, the cards per grinder in this data that I have here--

Q. I am not concerned in the data that you have there. I want to make sure that this is in a mill producing the same sort of print as you have told us about having examined in the office of the Dominion Textile Company. Now, we are not making any mistake about that? A. No, but there is so much leeway in the difference between the job assignments on some jobs in Canada and the United States, that we would not have to be extremely accurate to make the point.

Q. Well, I do not know exactly what you mean by that. I want to know on what you base you conclusion, and I am tryingto get something definite, if I can; you tell me one of the items was job assignment. Now, I say here is a print, and I want to know what the job assignments were on that. You say, I have seen some cloth cards that can give us this, and I want you to give me on what you compiled your information? A. I think I will be able to do it in just a moment. There are so many ways of checking job assignments that it is apt to be confusing if you do not get the whole story and, therefore,

Q. Now, you can give me the job assignment on that fabric in the United States? A. Yes, I can.

Q. Well, all right, go ahead and do it, read it into the record so that we can check it up.

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I want to be pretty careful in just the way I put it so that I will not mislead you. In the card room, on the cards, we considered as reasonable in a mill making print cloths 20 cards per operative, covering the jobs of grinder, card hands, and other miscellaneous help.

Q. Now, just a moment. Again we are perfectly clear, that the evidence you are giving now is what you considered reasonable in what is an actual experience of a mill in operation making this particular print in the United States? A. I could find you a number of mills with jobs higher than that, but I am trying to give you what I, as an experience d man in that work, would consider a reasonable job.

Q. Yes, but if you will just listen to my question, it was so simple. I said, so that we make no mistake about it, what you are giving us is what you consider to be reasonable in an actual, practical experience of a mill making that kind of print in the United States. Now, that question is surely clear, even to a cost accountant? A. I can give you either one that you want, but if you pin me down to a particular mill, I might give you a job assignment that I myself might consider unfair as an example, and I don't want to do that.

Q. What I would like to get, is an average job assignment that the average decent mill --

MR. HEWARD: That is what he has been trying

I want to be pretty careful in just the way I put
so that I will not mislead you. In the card room
on the cards, we considered as reasonable in a mill
making print cloths 80 cards per operative, covering
the jobs of grinder, card hands, and other miscellaneous
work.

Q. Now, just a moment. Again we are perfectly
clear, that the evidence you are giving now is what
you considered reasonable in what is an actual
experience of a mill in operation making this
particular print in the United States? A. I could
find you a number of mills with jobs higher than the
one I am giving in this case, as an experienced
man in that work, would consider a reasonable job.

Q. Yes, but if you will just listen to my question
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and I don't want to do that.

A. What I would like to get, is an average job
assignment that the average decent mill --

Q. Well, that is what he has been trying

to do.

MR. McRUER: You say that is what he has been trying to do.

THE WITNESS: That is why I consider it reasonable.

BY M . McRUER: Yes, but is it figures compiled by you, or is it taken from the records of these mills? A. It is compiled by us from the records of the mills.

Q. All right then, go ahead. Now, we know what it is. You have given us the card room, have you? A. Yes.

Q. All right, go on now? A. I am going to another operation in the card-room, "drawing tenders". You find in the check-up, the data for this particular study, that it was not uncommon to find 40 deliveries per card to the tender.

BY MR. HEWARD: Q. Where, in the States or Canada? A. In the States.

BY MR. McRuer: Q. Not uncommon to find that? A. No.

Q. Now, that is rather a curious way of putting it. The way we had dealt with the card room I thought was that that was an average, reasonable mill, the figure that wx an average, reasonable mill would have. Now, I do not want a figure that is changed about from one thing and another, if I can avoid it. Just keep in mind the same thing, the average, reasonable mill, not the one that you found is not uncommon?

to do.

MR. JUDGE: You say that is what he has been trying to do.

THE WITNESS: That is why I consider it very [illegible].

BY Q. McGUIRE: Yes, but is it figures compiled by you, or is it taken from the records of these mil[illegible]

A. It is compiled by us from the records of the [illegible]

Q. All right then, go ahead. Now, we know what it is. You have given us the card room, have you [illegible]

— (Ans.

Q. All right, go on now? A. I am going to [illegible] operation in the card-room, "drawing tenters". You find in the check-up, the data for this particular study, that it was not uncommon to find 40 deliveries per card to the tender.

BY MR. HEYLAND: Q. Where, in the States or Canada?

A. In the States.

BY MR. McGUIRE: Q. Not uncommon to find that?

A. No.

Q. Now, that is rather a curious way of putting it. Let me put it this way: with the card room I [illegible] that that was an average, reasonable mill, the figure that was an average, reasonable mill would have. No[illegible] I do not want a figure that is changed about from [illegible] you [illegible] said anyway, if I may [illegible] it. Just [illegible] it have the same thing, the average, reasonable mill [illegible] but you found in my [illegible]

A. Well, it was my intention to employ the same thing, that in mills where the jobs were not excessive they were commonly encountered.

Q. Yes. A. Now, going on to the next operation, which would be your slubbers.

Q. Yes. A. Southern Textile Mills, without cleaners to help them, to help the operatives, will frequently assign 300 spindles on a slubber.

Q. That is the Southern Mills? A. Yes.

Q. What about the Southern Mills? A. There is practically no print cloth made in the north; it is practically discontinued.

Q. What kind of cloth do they make in the north? A. Largely rayon and fine goods, fancy fabrics, the print cloth business having gone douth.

Q. All right? A. On intermediate, - three intermediate frames per frame-tender is just a usual job assignment, and that, I might say, is without supplying the frame-tenders with doffers.

--

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--

A. Well, it was my intention to employ the same t
but in mills where the jobs were not excessive th
were commonly encountered.

Q. Yes. A. Now, going on to the next
operation, which would be your sinkers.

Q. Yes. A. Southern textile mills, without
cleaners to help them, to help the operatives,
will frequently assign 450 spindles on a sinker.

Q. That is the Southern Mills? A. Yes.

Q. What about the Northern Mills? A. The
practically no print cloth mills in the north; it
practically discontinued.

Q. What kind of cloth do they make in the no
A. Largely rayon and fine goods, fancy fabrics,
the print cloth business having gone south.

Q. All right. A. In intermediate, - the
intermediate frames per frame-tender is just a ma
job assignment, and that, I might say, is without
supplying the frame-tenders with doffers.

Q. What next? A. The next would be your fine frames. The usual assignment would be four frames per operative, and sometimes the operators handle those without doffers but the more usual thing would be to supply them with help in doffing. On the indirect labour the fly frames --

BY THE COMMISSIONER: Q. The what?

A. The fly frames, that means the slubbers, intermediates and the speeders. That should run between 1,500 and 2,000 spindles per indirect hand. In the general labour in the spinning room we would expect the fair practice to be from 3,000 to 3,500 spindles per indirect hand. In spinning we find the spindles per spinner without cleaners, that is where the operative does most of the cleaning themselves -- excuse me, would you read that last sentence?

-- Reporter reads as follows:

"In spinning we find the spindles per spinner without cleaners, that is where the operative does most of the cleaning themselves"--

to be at least 2,000 spindles. Now, in doffing in the spinning room we would expect at least 1,000 bobbins per hour, and with that a doffer would be given certain cleaning of the head ends of the frame --

BY MR. HEWARD: Q. When you say given, you mean called upon to do? A. Called upon to do the cleaning of the head ends of the frames. That covers the principal job assignments through the mill.

BY MR. McRUER: Q. You have not dealt with weaving? A. No, that is an oversight. Now, in the weaving

Q. What next? A. The next would be yo
time frames. The usual assignment would be four
frames per operative, and sometimes the operatives
handle these without doffers but the more usual thi
would be to supply them with help in doffing. In
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BY THE CHAIRMAN: Q. The what?

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BY MR. [illegible]: Q. When you say doffers, you
called upon to do? A. Called upon to do t
cleaning of the head ends of the frames. That c
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BY MR. [illegible]: Q. You have not dealt with wear
A. No, that is an overright. Now, in the weaving

room the battery hands would be expected to handle between five and six hundred bobbins per hour. It would be difficult to give you much more detail than that because in the weave room you have at the same time so many different styles of fabric running that my data is not complete enough to answer this question at the moment.

Q. You cannot give me the number of looms per operator on this type of print? A. Well, you would have to go further than that; you would have to be very specific as to the amount of work that the operator was called upon to do, as to the cleaners that are given them, the cloth hands that are given them and the battery hands that are given them, and I could bring that data to you but my notes here were not detailed enough on it.

Q. Have you got information, comparable information now as to what the Dominion Textiles have in the way of job assignments on that type?

A. In the case of Sherbrooke I have fairly complete notes covering the same thing.

Q. No, but you have not got it for any of their other mills? A. No.

Q. Pardon? A. No.

Q. You have not got it in their other mills?

A. No.

Q. I wonder if you could -- I don't like to take your time; you want to get away to-night.

THE COMMISSIONER: I was just going to say something. This has gone on now to about half past five. The wit-

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ness has been in the box all afternoon and it is beyond our hour of adjournment. Mr. Heward, whatever you may have said at the beginning of this cross-examination it is very apparent from the last hour or more that everything that Mr. McRuer has asked the witness arises out of your examination in chief. The witness made general statements about labour and wages and so on and this all pertains to that so it is essential now that he should come back.

MR. HEWARD: He is quite willing to come back, sir.

THE COMMISSIONER: I think we will adjourn, unless Mr. McRuer you have something that may help him in getting his material for you when he does come back.

MR. McRUER: There are just one or two short questions.

THE COMMISSIONER: Perhaps you might communicate it to him through Mr. Heward.

MR. McRUER: I think I can probably let Mr. Heward know and he can communicate it to him. It is better than just thinking of it on my feet. There are one or two questions, if I might just ask the witness at the moment.

Q. Can you tell me what percentage of the employees in the mills in the United States are male and what percentage are female? A. I cannot give it offhand, but I can easily provide it from my own files. I have the data.

Q. Now, can you tell me this; during the time of the code, and, I take it, substantially since, the minimum rate was apparently 30 cents an hour?

A. Yes.

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was has been in the box all afternoon and it is hard
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may have said at the beginning of this cross-examin-
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that everything that Mr. Mahony has asked the witness
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MR. HOWARD: He is quite willing to come back.

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[illegible]
percentage are female? A. I cannot give
offhand, but I can easily provide it from my own
I have the data.

Q. Now, can you tell me this: during the tim
the code, and, I take it, substantially since, th
[illegible]

A. Yes.

Q. And that would apply to female employees as well as male? A. Yes.

Q. And can you tell me whether or not the female employees are paid the same per hour in the United States for doing the same work as the male employees? A. Well, where the male and female operatives do the same job it is apt to be a job that is paid by piece work, and then the female employee would get the same pay only in case she did the same work.

Q. If doing the same work she gets the same rate of pay? A. Yes.

Q. The same rate of pay? A. Yes.

Q. And where they are paid by the hour if she does the same sort of work as the male employee does she get the same rate per hour? A. The operatives are seldom paid by the hour on the jobs that both men and women do.

Q. But I say if they do, what is the case? A. They would get the same pay per hour if they do the same work per hour, but they would not get the same hourly rate if they had a smaller job assignment.

Q. Pardon? A. They would not get the same hourly rate if they had a smaller job assignment.

BY THE COMMISSIONER: Q. Who, women, do you mean? A. Yes, women.

BY MR. McRUER: Q. But, if they did the same job as a man does they would get the same rate per hour; that is, in those cases where they may do the same work? A. If they do the same work, that is, the same volume of work.

Q. And that would apply to female employees as well as male? A. Yes.

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Q. Perhaps? A. They would not get the same hourly rate if they had a smaller job assignment.

BY THE COMMISSIONER: Q. Who, women, do you mean?

A. Yes, women.

BY MR. MCGUIGAN: Q. But, if they did the same work as a man does they would get the same rate per hour, that is, in those cases where they may do the same work? A. If they do the same work.

MRS. [illegible] Thank you.

Q. The same number of looms, for instance, or the same number of spindles, or whatever the case may be, they would get the same rate per hour if they were working on an hourly basis? A. Well, they are, in the case of a spinner, paid by the side.

Q. By which? A. In the case of a spinner they are usually paid by the side.

BY THE COMMISSIONER: Q. By what? A. By the side of the frame tended, and the rate is the same for men spinners and women spinners, but very frequently the men will handle more sides and naturally get more pay per hour.

MR. HEWARD: Might I ask just one question, my lord, to clear up a point that was rather confused?

Q. I think in discussing the wages, discussing the unit of piece work, two terms were used, wages and labour cost. Isn't it the case that the only factor -- that those are the same thing and the only element that enters into piece work, the only labour cost that enters into piece work is wages; isn't that right? A. Yes.

Q. That is the only thing? A. Yes.

Q. Per unit of piece; per unit of product if you are calculating, if you are calculating where it is on piece work, but in calculating the cost of labour per unit produced the only thing that goes to make up the cost of labour is wages; isn't that right? A. Yes, whether it is day pay or piece work.

THE COMMISSIONER: Then, we will adjourn to to-morrow morning at ten o'clock.

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BY MR. DOHERTY, K.C.

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Q. That is the only thing? A. Yes.

Q. Per unit of piece; per unit of product if
you think, but in calculating the cost of labour
per unit you used the only thing that goes to make
up the cost of labour is wages; isn't that right?
A. Yes, minus if he has had to place work.

MR. DOHERTY, K.C.: Yes, we will adjourn to
morrow at ten o'clock.

-- The Commission adjourned at 5.35 p.m., Monday, April the 6th to resume on Tuesday, April the 7th at 10 a.m.

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ROYAL COMMISSION ON THE TEXTILE INDUSTRY

HON. MR. JUSTICE W.F.A. TURGEON,

Commissioner,

A.S. Whiteley, Secretary,

F I F T E E N T H D A Y

Robert Brydie,
Official Reporter

ROYAL COMMISSION ON THE TEXTILE INDUSTRY

HON. MR. JUSTICE W.F.A. TURGEON,

Commissioner,

A.S. Whiteley, Secretary.

Appearances:

J.C.McRuer, K.C. and E. Beauregard, K.C.	Commission Counsel
J. P. Lanctot, K.C.,	For Special Committee of Primary Textile Industries.
C.G. Heward, K.C., Aime Geoffrion, K.C. and C.T. Ballantyne,	For Dominion Textile Co.
S.G.Dixon, K.C.,	For Courtaulds, Limited,
L.A. Forsyth, K.C.,	For Canadian Celanese Ltd. and Canadian Silk Products Limited.
Francois Lajoie, K.C.,	For the Wabasso Cotton Company Limited.

Robert Brydie,
Official Reporter.

-- On resuming at 10 o'clock A.M.

GORDON HOOPER,

EXAMINATION BY MR. LANCTOT, (Resumed):

BY MR. LANCTOT: Q. We left our examination on the United States tariff or American tariff. I understand that you have given some study to foreign tariffs and that you have examined the British and the American tariffs to some extent, have you not? A. Yes, I have examined the British and American tariffs.

Q. Will you take cognizance of an example; There is a cloth which would be dutiable in the United States at 234 per cent. and the British tariff would be 389 per cent. on the same cloth. That is a cloth - Japanese 27 plain rayon taffeta, weighing 8.75 yards per pound, and you have the British duty in the example and then the United States duty. Will you check on this example? A. (Witness looks over computation).

Q. British duty, price 2.99 in Japan? A. What is that 2 cents? Yes.

Q. That is expressed in cents. We should have marked "cents" above the line. Specific duty---

THE COMMISSIONER: Do I understand the duty charged in Great Britain against Japanese goods?

on resuming at 10 o'clock A.M.

CONTINUED.

EXAMINATION BY MR. LAMONT, (Resumed):

BY MR. LAMONT: Q. We left our examination on the United States tariff or American tariff. I understand that you have given some study to foreign tariffs and that you have examined the British and the American tariffs to some extent, have you not? A. Yes, I have examined the British and American tariffs.

Q. Will you take cognizance of an example; there is a cloth which would be taxable in the United States at 25% per cent. and the British tariff would be 20 per cent. on the same cloth. That is a cloth - Japanese 27 plain rayon taffeta, weighing 8.75 yards per pound, and you have the British duty in one and then the United States duty. Will you check on this example? A. (Witness looks over memorandum).

Q. British duty, price 2.99 in Japan? A. Yes. Is that 2 cents? Yes.

Q. Duty is expressed in yards. We should have seen "cents" above the line. Specific duty--

THE COMMISSIONER: Do I understand the duty charged in Canada against Japanese goods?

MR. LANCTOT: Yes, my lord, that is what the example illustrates. Specific duty 4.02.

THE WITNESS: Why did you take 8.75 yards per pound for this 3 cent article?

Q. This cloth is--- A. This is another cloth, is it?

Q. Yes. Well, it is the same cloth for the example for which British duty is applied and United States duty is applied? A. It is not the same cloth?

Q. No, it is not the same cloth - we have taken another cloth? A. But you have taken the same price?

Q. Yes, we have taken the same price and we have figured how it works out. I will leave this example with you and after you are satisfied that the figures are right --- A. You mean the computation?

Q. Yes, and I will produce these figures as an exhibit.

MR. MaRUER: I would suggest that you let Mr. Hooper check it before it is filed as an exhibit.

THE COMMISSIONER: We understand this is both he British Tariff and United States Tariff against Japan?

MR. LANCTOT: Yes. We have given examples of how the tariff would apply and then we take the cloth and fabric described in the example and we figure what the British tariff and United States tariff - how the two work?

Mr. LAMONT: Yes, my Lord, that is what the
example illustrates. Usually only ...

THE WITNESS: Why did you take 8.75 yards per
for this 3 cent analysis?

A. This cloth is--- A. This is another cl
is it?

A. Yes. Well, it is the same cloth for the
example for which British duty is applied and Uni
States duty is applied? A. It is not fre
alone?

A. No, it is not the same cloth - we have tw
examples. Q. And you have given
prices?

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with you and after you are satisfied that the figu
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Lamont check it before it is filed as an exhibit.

THE COMMISSIONER: We understand this is both
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figures.

Mr. LAMONT: Yes. We have given examples of
how the tariff would apply and then we have the
and World Assessed in the example and we figure ab
the British tariff and United States tariff - how t

THE WITNESS: Mr. Lamotot, this is very hard to follow - British duty, you have not given me any guide here at all as to the rate of duty used and specific duty used.

Q. You have the specific duty, you have fraction there, 34.47 with the denominator of 8.57 yards? A. Yes, but could you give me that in the way it is set forth in the United Kingdom Tariff. I have to do two or three things here, have to check it here and I cannot follow it. If Mr. Berry will put down - - -

THE COMMISSIONER: Q. The rate of duty does not appear to be shown? A. The rate of duty is not shown, my Lord.

Q. It just shows the amount of duty in each case? A. Yes, my Lord, and tariff, of course, is shown in percentage or in shillings and pence.

Q. I notice in Great Britain there appears to be two specific duties? A. Yes, my Lord, there is.

Q. No ad valorem? A. There is ad valorem duty provided that it is more than 1 shilling 5 pence per pound.

Q. What are the two specific duties - one on the yardage? A. I will read the item that Mr. Berry has taken.

Q. Is this the British Customs tariff? A. Yes, sir.

Q. What is the number of the item? A. Shown as 'silk and artificial silk continued', page 7

THE [illegible]: Mr. [illegible], that is very [illegible]
to follow - British duty, you have not given us
any [illegible] at all as to the rate of duty
used on specific duty goods.

A. You have the specific duty, you have
Preferential tariff, 84.47 with the [illegible] of
8.47 preferential. A. Yes, but could you give us [illegible]
in the way it is set forth in the United Kingdom
Tariff. I have to go to two or three things here,
have to check it here and I cannot follow it.
Mr. Mr. Perry will put them - - -

THE [illegible]: . The rate of duty
does not appear to be shown? A. The rate of
duty is not shown, my lord.

Q. It just shows the amount of duty in each
case? A. Yes, my lord, and [illegible], as [illegible]
is shown in percentage or in [illegible] and pence.

Q. I notice in Great Britain there appears
to be two specific duties? A. Yes, my lord.
There is.

Q. So as a [illegible] . That's a [illegible]
duty provided that it is more than 1 shilling
5 pence per pound.

Q. Just one the two specific duties - one
on the [illegible]? A. I will read the item first
Mr. Perry has [illegible].

Q. In this the duty is [illegible]?
A. Yes, sir.

Q. What is the number of the item? A.
Mr. Tariff and [illegible] with [illegible], page 7

Customs duty, page 204, reads as follows: "Tissues continued - exceeding 12 inches in width and containing more than 75 % by weight (b) artificial silk and wholly or partly discharged silk (other than noil). Rates of duty (full) the pound, one shilling and five pence plus either 7½ pence per square yard on the area of the tissue or 25% of the value of the tissue, which ever is the greater."

That is similar to our yarn item. It goes on: "Other tissues one shilling and five pence plus 25% of the value of tissue."

The one we are dealing with is the one I read first. That is all that is shown here in the tariff. I am checking this computation now.

Q. This 1s.5 pence par, indicates something to you? A. One thing that is not quite evident, is not shown here, is that on the United States duty you have not included the consumption tax. On the basis the British duty is computed I am not sure that the consumption tax is included. It is included in the United States computation.

THE COMMISSIONER: Q. What is the consumption tax? Is it a tax on imported goods only?

A. No, that is an internal tax in Japan, my Lord.

MR. LANCTOT: You mean it is deducted on the price, that consumption tax? A. Oh, no, it is included in the fair market value.

"Q. No, when you apply duty to it?

A. You apply - - -

Customs Act, page 834, reads as follows: "Tissues continued - excepting 12 inches in width and more than 75 by weight (a) artificial silk and wholly or partly manufactured silk (other than noil). Rates of duty (Tari) two pound, one shilling and five pence plus either 7½ pence per square yard on the area of the tissue or 35% of the value of the tissue, which ever is the greater."

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THE CHAIRMAN QUE: Q. What is the consumption tax? Is it a tax on imported goods only?

A. No, that is an internal tax in Germany, my lord.

MR. LAMONT: You mean it is demanded on the price, that consumption tax? A. Oh, no, it is included in the fair market value.

Q. No, when you apply duty to it?

A. To apply - - -

Q. You do not apply duty on that consumption tax? A. Oh, yes, we do. In arriving at the value in Canada and the United States you include the consumption tax.

Q. But you start with the same price anyhow - your example starts from the same price. A. Are you sure of that?

Q. You have just to verify 2.99 and 2.99 in the example. 2.99 British duty and 2.99 in Japan - take it as you want. A. Yes, but I cannot do that. Supposing the consumption tax deductable in estimating the value of goods going into Great Britain, the consumption tax is 10%.

THE COMMISSIONER: Q. Can we find out whether or not it is an item in the British tariff? A. I thought may be they knew. We did not file this.

THE COMMISSIONER: I am asking Mr. Lanctot .

MR. LANCTOT: We will check that, my Lord. We will check that on this exhibit and we will bring in this exhibit later after checking.

MR. MCRUER: It is my intention in due course to go into the respective rates of duty in the United states thoroughly with examples - - - -

THE COMMISSIONER: No harm is done. It had better be ascertained before brought here.

MR. LANCTOT: It is just by examination we know exactly but, anyhow, we will prepare the document. We did not have occasions to ascertain completely all

Q. You do not apply duty on that consumption tax? A. Yes, yes, we do. In arriving at the value in Canada and the United States you include the consumption tax.

Q. But you also include the same price anyhow - your example starts from the same price.

A. Are you sure of that?

Q. The duty is varied 8.99 and 8.99 in the example. 8.99 British duty and 8.99 in Canada. Do it as you want. A. Yes, but I cannot do that. Supposing the consumption tax consisted in setting the value of goods going into Great Britain, the consumption tax is 10%.

THE COMMISSIONER: Can we find out whether or not it is an item in the British tariff?

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Mr. LAMONT: We will check that, my Lord. We will check that on this exhibit and we will bring in this exhibit later on after checking.

Mr. MERLER: It is my intention in due course to go into the respective rates of duty in the United States thoroughly with examples - - - -

THE COMMISSIONER: We have a long. It has been by examination.

Mr. LAMONT: It is just by examination we know exactly, Mr. Merler, we will prepare the document. We did not prepare a detailed comparison of

the documents which have been produced already on the other side.

THE WITNESS: I would also like to point out at this time you have used the wrong United Kingdom tariff item.

Q. On this example - - -

THE COMMISSIONER: Well, we are not going to discuss any further just now apparently.

MR. LANCTOT: Well, we will see how those who figured the example have it.

Q. Now, you know that a tariff to afford protection has to equalize the landed price on an article with cost of Canadian manufacture. A tariff, even if it is very high, if it does not equalize landed price with our cost price then it does not afford protection.

THE COMMISSIONER: No - does not equalize what?

MR. LANCTOT: If tariff duty applied on article which you import, if it does not equalize our cost price here, this tariff does not afford any protection. We all admit that.

MR. McRUER: I certainly do not admit that.

MR. LANCTOT: You will have to admit that.

MR. McRUER: I do not have to admit it. It depends entirely on the article as to whether the article is identical with the other article or not and whether it meets the same article and all that sort of things. If it is a statement 'We all admit it', then I am dissenting from it.

MR. LANCTOT: It is not a statement. You would have to - -

the dozens to which have been personal already on the other side.

MR. MUNRO: I would also like to point out that this time you have used the wrong United Kingdom Party items.

Q. On this example - - -

MR. CHARLES MOOR: Well, we are not going to discuss any further just now apparently.

MR. LAFLEUR: Well, we will see how those who figured the examples have it.

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MR. DONALDSON: No - does not equalize what?

MR. LAFLEUR: If tariff duty applied on article you import, if it does not equalize our cost price here, this tariff does not afford any protection. All admit that.

MR. DONALDSON: I certainly do not admit that.

MR. LAFLEUR: You will have to admit that.

MR. MUNRO: I do not have to admit it. It depends entirely on the article as to whether the article is identical with the other article or not, whether it needs the same article and all that sort of things. If it is a statement he will admit it. Then I am disengaged from it.

MR. LAFLEUR: It is not a statement. You

Q. In - -

THE COMMISSIONER: You better not assume anything is admitted by anybody.

MR. LANCTOT: I ask a question of the witness and the question is this: We have heard in examination in chief we have heard protection - so I am asking now a question of the witness.

THE WITNESS: I substitute Mr. McNuer's statement.

MR. LANCTOT: Q. If a tariff figured in the way you like does not, after added to the price on the import, does not equalize your cost price here, can you say that this tariff is affording protection? It is a tariff but it is not affording protection? A. You are talking of the same article?

Q. Of the same article or, in general terms, one of the same articles built there and built here. A. Same quality?

Q. Same quality, all things even. A. Well, I might go so far as to admit that.

Q. Well, then, it has to come to this: even if you know those figures and percentage, you wont say that the protection is too high if even with that percentage you do not equalize our cost price. A. No, Mr. Lanctot, that is all I am going to answer.

Q. Because you have noted when 800% figures were given, you have noted when we were applying the tariff - that is, on the 25 cents a pound - when we applied the tariff on the 70 cents article that the percentage varied by 300%. On the 25 cents a pound article we were given the tremendous figure of 800%,

and when we applied tariff on 70 cents a pound then we got down to 200%. A. Those examples were given to the commissioner for his guidance to show what has happened. We have shown him what has happened and he will make his deductions; I am not making them.

Q. That is the reason why we want to tell the Commissioner through our cross-examination that those percentage figures do not amount to very much because there are all kinds of elements in the cost price. You know - without going into technical details - you know what the cost price is made up of. A. No, but if you are telling the Commissioner that please do not question me about it.

Q. You are an expert - - -

THE COMMISSIONER: The time for argument has not come yet. All Mr. Hooper can do is tell us the facts. He is acquainted with tariffs and he can tell us what the figures are. I am not concerned with Mr. Hooper's opinion as to whether there should be more protection or less protection. That is another question. I say that so far as any argument is concerned about the real effects of tariff you will address that to me later when we have all the facts in.

MR. LAMONT: My humble position is to say that these percentages on tariffs did not explain anything. So I am satisfied if your Lordship is.

Q. Now, Mr. Hooper, the arrangements made with Japan, as you said were only made at the end of the summer of 1935. Then the fixed value of 1.25 a pound was removed and surtax. So do you think

and when we applied tariff on TC costs a pound then we got down to 4.00%. A. Those examples were given to the commissioner for his guidance to show what has happened. We have shown him what has happened in all the [illegible]

. That is the reason why we want to tell the Commissioner through our cross-examination that there previously Canada [illegible] because there are all kinds of elements in the cost price. You know - without going into technical details - you know what the cost price is as we [illegible]. . Yes, but if you are talking the Commissioner please do not question me about it.

Q. You are an expert - - -

MR. O'MALLEY: The time for argument has not come yet. All in. Tupper can do is tell us the law. He is acquainted with tariffs and he can tell us what the [illegible] are. I am not concerned with it. Hoover's opinion as to whether there should be more protection or less protection. That is [illegible] me. I say that as far as any argument is concerned about the real criteria or tariff you will [illegible] this to me later when we have all the facts [illegible]

Mr. [illegible] Q. Another question is that these percentages on tariffs do not complete anything. So I am a little if your Lordship is.

. Yes, Mr. Hooper, the arrangements have to depend, as you said were only made at the end of the number of [illegible]. Then the fixed value of 1.05 a [illegible] - if you think

that it takes a little time for an Oriental country to come on this market with samples and traveller to get to our market? A. I would say it would take a little time but they had an indication a month before that the market was going to be opened to them. As a matter of fact, I think they had their samples here on the 6th of January, so that they must have had some time.

MR. McRUER: You closed your mill on the 17th.

MR. LANGTOT: Q. Samples here on the 6th of January and with their organization on the 6th of January they export 236,000 yards in the first 3 months. So could it be expected that in the next 3 months or following 3 months or the last quarter that this would increase accordingly. A. You are back to the old story again, trying to get me to assume things.

Q. Say yes or no. I just want to ask you these questions. You are in a better position, you know our business, you have been appraiser - you know how importations are made. A. Yes, but I am not a prophet.

Q. Because if you were a prophet on our side you would say it was a threat. About the change in tariff, I only want to say a few words about it. Now, for the time being with Japan, if I understand you well, we have 36% ad valorem and 40% specific, and we have the dumping duty, the difference between 29. and 39.5? A. No, a little different to that.

that it took a little time for an ordinary
[illegible] to make an ill [illegible] and
traveller to get to our market? A. I would
say it would take a little time but they had an
indication a month before that the market was going
to be opened in [illegible] or a matter of weeks;
think they had their supplies here on the 5th of
January, so that they must have had some time.

Q. [illegible] You already [illegible] in the
1920.

Mr. [illegible]: [illegible] supplies here on the 5th
of January and with their organization on the
[illegible] first 5 months. Do could it be expected that
in the next 3 months or following 3 months or six
[illegible] [illegible] that this would happen [illegible].

A. You are back to the old story again, trying
to get me to answer theirs.

Q. Say yes or no. I just want to ask you
these questions. You are in a better position,
you know our business, you have been approached -
you know how importations are made. A. Yes,
but I am not a prophet.

Q. Because if you were a prophet on one side
you would say it was a threat. About the change in
tariff, I only want to say a few words about it.
Now, for the time being with Japan, if I understand
you aright, we have 33⅓ ad valorem and 42½ specific.
We have the foreign duty. The difference is seen
in Q. and 39.37? A. No, a little different to that.

Q. What is the actual tariff now on Japanese importations? A. We might as well read it.

Q. If you take my question I think you will see, on rayon cloth - -? A. No, you will understand it if I read it.

Q. I think I do understand it? A. Why do you ask me?

Q. I ask you that as a preliminary question? A. You have not given - - -

Q. What is it exactly now? A. That is what I say I am going to read. Customs tariff, Section 6.

Q. On rayon products? A. No, this is Customs tariffs on everything. Section 6, sub-section (1) reads:

> In the case of articles exported to Canada of a class or kind made or produced in Canada, if the export or actual selling price to an importer in Canada is less than the fair market value of the same article when sold for home consumption in the usual and ordinary course in the country whence exported to Canada at the time of its exportation to Canada, or is less than the fair market value or value for duty thereof as determined under the provisions of section thirty-six of the Customs Act, or is less than the fair market value thereof as fixed by the Governor-in-Council under the provisions of section thirty-seven of the Customs Act, or is less than the value

for duty thereof as determined by the Minister under the provisions of paragraphs(a) and (e) of section forty-one of the Customs Act, or is less than the fair market value thereof as fixed by the Minister under the provisions of section forty-three of the Customs Act, there shall, in addition to the duties otherwise established, be levied, collected and paid on such articles, on its importation into Canada, a special or dumping duty, equal to the difference between the said selling price of the article for export and the said fair market value thereof or value for duty thereof; and such special or dumpin duty shall be levied, collected and paid on such article although it is not otherwise dutiable.

Provided that the said special duty shall not exceed fifty percent ad valorem in any case, and the following goods shall be exmpt from such special duty."

The other may be disregarded at this time.

"Sub-Section (2) - Excise duties or excise taxes shall be disregarded in estimating the market value of goods for the purposes of special duty when the goods are entitled to entry under the British Preferential Tariff, Intermediate Tariff, or any tariff more favourable than the General Tariff."

That may do for now.

THE COMMISSIONER: Q. That is the dumping

for duty thereof as determined by the Minister under the provisions of paragraphs(a) and (a) of section forty-one of the Customs Act, or is less than the fair market value thereof as fixed by the Minister under the provisions of section forty-three of the Customs Act, there shall, in addition to the duties otherwise established, be levied, collected and paid on such articles, on its importation into Canada, a special or dumping duty, equal to the difference between the sale selling price of the article export & and the sale fair market value thereof or value for duty thereof; and such special or dumping duty shall be levied, collected and paid on such article although it is not otherwise dutiable.

Provided that the said special duty shall not exceed fifty percent ad valorem in any case, and the following goods shall be exempt from such special duty.

The other may be discussed at this time.

Sub-section (4) - Excise duties or excise taxes shall be disregarded in setting the market value of goods for the purposes of special duty when the goods are entitled to enter the British Preferential Tariff, intermediate Tariff, or any tariff more favourable than the General Tariff.

That may do for now.

Mr. McMillan: Shall it be bundling

section? A. Yes, that is the dumping section, my Lord. That is just part, sub-sections (1) and (2). I did not read sub-section (1) complete.

MR. LANCTOT: Q. Now, let me take that question again? The advalorem as it is now for intermediate nation would be 36%? A. The net is 36%.

Q. Now, the specific would be 40 cents a pound? A. Just a minute. For goods entitled to entry - - -

Q. Japan, for instance? A. We will say Japan.

Q. 40 cents a pound? A. Yes.

Q. Now, the difference between the current value of the yen, which is about 29 and the proclaimed 39.5, proclaimed value of the yen? A. Yes, but what are you going to do with this?

Q. Yes, but that is dumping duty with the value which you just set there? A. Yes, with that valuation, with the valuation under 35 and 1 less the Excise duties.

Q. And then the Excise 3%? A. No, wait, that is not the same Excise duty. The Excise duty spoken of here is the Excise duty in the country of export - that is, consumption tax in the case of Japan.

Q. But it is charged here, 3%? A. No, that is not the same one. That is our Excise.

Q. Our Excise charge? A. Yes. First of all there is fair market value and we determine

section? A. Yes, that is the dumping section, and have, that's the dump duty, sub-section (1) and (2). I did not read sub-section (1) complete.

Mr. LAMONT: Q. Now, let me take that question again? The advalorem as it is now for intermediate goods would be 7½%? A. The duty is 35%.

Q. Now, the specific would be 42 cents a pound? A. Just a minute. For goods entitled to duty - - -

Q. Japan, for instance? A. We will say Japan.

Q. Of course? A. Yes.

Q. Now, the difference between the current value of the yen, which is about 4¢ and the proclaimed 35%, proclaimed value of the yen? A. Yes, but what are you going to do with that?

Q. Yes, but that is dumping only with the value which you just set aside? A. Yes, with that valuation, with the valuation under 35 and I have the Moline duties.

Q. And then the duties 35%? A. No, well, that is not the same Moline duty. The Moline duty upon of here in the Moline duty in the country of export - that is, consumption tax in the case of Japan.

Q. But is it equal here, 35? A. No, that is not the same one. That is our Moline.

Q. The Moline duty? A. Yes. It is all from Jan duty money duty duty duty Japanese

the duty on that fair market value without any deduction, and we compute that at 39.50. Then we take the ad valorem duty, the specific duty, the Excise tax on the duty paid value. Now then, before we can complete the transaction in Customs we ascertain whether dumping duty applies and to do that we take the fair market value again, deduct the consumption tax, which we consider an Excise tax, that is 9% on the fair market value, approximately 9, deduct that.

THE COMMISSIONER: Q. That is, japanese tax? A. Yes. Compute that resultant figure at 39.50. We take the selling price to the purchaser in Canada and compute it at the current rate of exchange and if the selling price to the purchaser in Canada is lower than that first computation we mentioned, special duty - - - -

Q. Now, that you do not have the fixed value of 1.25 a pound to figure on there will be more application of the dumping duty, the difference between the current exchange on the yen and the proclaimed value of the yen - you will have more occasion to apply your duty. A. Before we took 1.25 a pound we took the selling price to the purchaser in Canada at the current rate of exchange and during 1933 the selling price for export in Japan was approximately 25 cents a pound, so that there would be a dumping duty to start with.

Q. But you will have to apply the difference between the current exchange and the proclaimed value

Hooper

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of the yen, won't you, in your application of the tariff? A. We will have to do as I explained it there, yes.

Q. Will you tell to the Court how this proclaimed value of the yen at 39.5, under what condition and for what time it has been fixed? A. I think if you look at the Appraiser's Bulletin you will find it has been fixed for one year.

Q. You know that the proclaimed value is based on the average of exchange for the last 5 years, which is supposed to have been taken according to statistics over average 5 years. A. The average value of the yen.

Q. The average value of the yen for the previous 5 years? A. No, I don't know that.

Q. That is stated in Mr. King's letter in the trade. So that the following year according to the arrangement - I want to know if you are aware of that - the following year the proclaimed value of the yen would be fixed again on the same basis.

A. I do not admit it was fixed on that basis for this year.

Q. So that about a year from now you won't have any dumping duty - you did not know that? A. No, I did not know that.

MR. McRUER: He won't know what will happen a year from now.

MR. LANCTOT: Q. Now, without going into much technical details about cost price you know that wages is a part of the cost price - as an appraiser you know that? A. What is this? This is not cross-examination of the information

I have given yet.

Q. No, it is on something else. I am asking you if wages is an important element in cost price? A. It may not be an important element.

Q. Yes, but it is an element? A. Yes, it is an element.

Q. All depends on the cost of raw material in proportion to labour? A. Oh, no.

Q. What have you to say about it? A. Machinery.

Q. Buildings, overhead? A. All those things. Raw material may be a very small element of the total cost.

Q. You said machinery - have you an idea of what machinists are paid in Japan? A. Oh, now, Mr. Lanctot.

THE COMMISSIONER: Well, either you have or you have not?

THE WITNESS; No, my Lord, I have not.

MR. LANCTOT: Now, is not it, knowledge and known by all people in your line - - -

MR. McRUER: He says he does not know.

MR. LANCTOT: Wait until the question is asked.

Q. Isit not, knowledge and known by all people in your line that wages in Canada are 10 to 12 times higher than in Japan? A. I have seen newspaper reports, periodicals reporting such a condition.

Q. You have also seen, and I think it is common

I see given yet.

Q. No, it is on something else. I am making you aware it is an important element in cost proof? A. It may not be as important element.

Q. Yes, but it is an element? A. Yes, it is an element.

Q. All depends on the cost of raw material in proportion to labour? A. Oh, no.

Q. What have you to say about it? A. Labour.

Q. Buildings, overhead? A. All those things. Raw material may be a very small element of the total cost.

Q. You said machinery - have you an idea on what machinery was paid in Japan? A. Oh, now, Mr. Lamont.

THE COMMISSIONER: Well, either you have or you have not.

THE WITNESS: No, my lord, I will not.

MR. LAMONT: Now, is not it, knowledge and known by all people in your line - - -

MR. MOW DAY: He says he does not know.

MR. LAMONT: Wait until the question is asked.

Q. Isn't not, knowledge was known by all people in your line that Japan was 12 to 15 times higher than in Japan? A. I have said numerous times, considerable variation exists in quality.

Q. You have gone, and I think it is

knowledge that the standard of living there is 10 to 12 times lower than our standard of living in Canada. A. I have read reports that it is.

THE COMMISSIONER: I must say you are wasting your time if you intend to establish the standard of living in Japan to my satisfaction this way.

MR. LANGLOIS: It is only to come on that 800% which I do not like because I thought even at that, if we figure in difference of labour and all that, we would come to more than 800%. Well, that is all for the time being. You will check on this example of Mr. Berry. After they have gone over the example then we will bring it back.

CROSS-EXAMINED BY MR. HENARD:

Q. There is one point which I do not think was brought out: what was the proclaimed value of the yen prior to July 1935? A. That was mentioned yesterday, 49.85.

Q. I had missed that. That was for some years prior to that? A. From the time that the yen became depreciated in respect to Canadian currency.

Q. Now, when you spoke to us of your inquiries around at the various manufactures, you said that you inquired in regard to dress materials and you defined dress materials as materials which would be used for making dresses, is not that right? A. Yes, that is what I suggest.

[illegible] that the standard of living there is 10 to 12 times lower than our standard of living in Canada. [illegible]

THE COMMISSIONER: I must say you are wasting your time if you intend to establish the standard of living in Japan to my satisfaction this way.

MR. [illegible]: It is only to come on that point, as our Jap witness [illegible] we figure in difference of labour and all that, we would come to more than 50%. Well, that is all the Jap [illegible]. [illegible] average then we will bring it back.

[illegible]

Q. There is one point which I do not think was brought out: what was the production value of the year prior to July 1937? A. [illegible] national revenue, 49.5%.

Q. I had missed that. That was for a [illegible] prior to July [illegible] that the Jap boats departed in respect to [illegible].

Q. Now, when you spoke to us of your investigation around at the various municipalities, you said that you inquired in regard to these matters and you defined these materials as materials which [illegible] for making dresses, is not that right?

A. Yes, that is what I meant.

Q. Are none of the materials which were brought in, the 236,000 yards which were brought in in January and February of 1936, are none of them suitable at all for making dresses? A. If I was to take the answer of the people I interviewed it would be apparent that they were not because I asked them the question as to whether they purchased or ordered any dress materials.

Q. Now, the 236,000 yards that you told us were brought in in January and February of 1936 were taffetas of various kinds and rayons, rayon taffetas and rayon brocades and rayon crepes - I think you showed us a list of them. A. Yes, 250 yards of crepe.

Q. And brocades? A. Yes, sir.

Q. And taffetas? A. Yes, sir.

Q. Now, is not it correct that Canadian manufacturers manufacture that class of rayon goods in Canada?- do they or do they not? A. That is pretty hard to say just what you mean by that class.

Q. Does Montreal Cottons manufacture any of the same class of goods that was brought in during January and February of 1936? A. Is it of a class - you mean taffetas?

Q. Yes. A. They make a taffeta, yes.

Q. Do they manufacture the same kind, then, if there is any distinction? A. Kind? They make a rayon taffeta.

Q. Do other manufacturers make taffetas of that kind? A. Rayon taffetas?

Q. Yes? A. Canadian Cotton make a rayon taffeta, L. & L. make a rayon taffeta.

Q. Are some of the materials which were brought in, for instance, your yarns which were brought in in the form of yarn, are those at times suitable also for making dresses? A. If I was to take the answer of the people I interviewed it would be apparent that they were not based on I asked them to provide me in exchange Mr. Armstrong or anybody dress me for nils.

Q. Now, the 100,000 yards that you told us were brought in in January and February of 1934 - further shipments of rayon and cotton, rayon broadcloth and rayon crepes - I think you mentioned a list of them. A. Yes, 100 yards of crepe.

Q. Are unusual? A. Yes, sir.

Q. And different? A. Yes, sir.

Q. Yes, is not it correct that Canadian manufacturers manufacturing that class of rayon goods are mostly used to say just what you mean by that class? A. So they or do they not? A. [illegible]

Q. Those textural patterns manufacturing now or are some crepes or goods that are brought in during January and February or 1933? A. Is it of a different nature?

A. Yes. Q. They are a different, yes.

Q. In that manufacture the same kind of if there is any distinction? A. [illegible] make a rayon textures.

Q. In other manufacturers make textures of same kind? A. Rayon textures?

Q. Yes? A. Canadian industry makes a rayon textile, I. C. I. makes a rayon textile.

Q. I take it that any of those taffetas that are not used for dress goods can be used for various other things - linings, half-linings, ties, coffin linings, is not that right? A. All right for coffin lining but I do not know whether you would want to use ties of that material.

Q. Tie linings? A. Well, I would not like to say; I have my doubts.

Q. Do you know that the Canadian mills manufacture taffetas for that purpose? A. For tie linings?

(Page 1925 follows.)

Q. For these purpose that I mentioned, - cotton linings, brocades, and that sort of thing? A. I believe they do.

Q. Now, your statement of shipments, which you filed as Exhibit 129, in that you list a number of companies such as associated, Binz, Brocks, Celanese, and others. That is not a complete list of the mills, is it, in Canada? A. No, it is not a complete list.

Q. Why did not you list Valleyfield Silk Mills, or British American? A. The Valleyfield mills were not listed because Mr. Watson was on his way to Montreal when I asked for the figures, and Montreal could not give the figures.

BY THE COMMISSIONER: Q. Who is Mr. Watson? A. Mr. Watson is the General Manager, of Grout's Limited, who operates the Valleyfield Silk Mills.

BY MR. HEWARD: Q. And British American Silk Mills? A. They were left out of there because they were a small factor.

Q. You consider them a small factor? A. I was advised that they were a small factor.

Q. You were given, by several of the mills, statements of shipments in March, were you not? A. Yes.

Q. Why did you not file them? A. That was explained yesterday.

Q. Why? Will you please explain it to me again?

Q. For these purposes that I mentioned, - common findings, presence, and that sort of things? A. I believe they do.

Q. Now, that memorandum which you filed as Exhibit 148, is that your list of "Canadian" and "non-Canadian" mills, Bolton, Valleyfield and others. That is not a complete list of the mills, is it, in Canada? A. No, it is not a complete list.

Q. Why did not you list Valleyfield Silk Mills, or British Celanese? A. The Valleyfield mills were not listed because Mr. Bolton was on his way to Montreal when I began for the figures, and Montreal could not give the figures.

BY THE CHAIRMAN: Q. Who is Mr. Bolton? A. Mr. Bolton is the General Manager, of Dominion Limited, who operates the Valleyfield Silk Mills.

BY MR. MACKAY: Q. Are British American Silk Mills? A. They were left out of there because they were a small concern.

Q. You consider them a small factory? A. I was advised that they were a small factor.

Q. Had you been given, by memorandum or the mills, statements of shipments in March, were you not? A. Yes.

Q. Why did you not file them? A. Time was running somewhat.

Q. Will you please explain it to me a

A. That we had not received a report from all the mills listed there, in January and February.

Q. That is, you had not received statements for March for all of the mills, but you received them from some? A. You must remember that these figures were obtained from different periods; they were not obtained all on the second; we started the hearing here on the 3rd, and they were not all obtained on the second of April.

MR. McRUER: We compiled this when we left Sherbrooke. I gave instructions to Mr. Hooper. If you have any other figures we will welcome them. There is no use criticizing Mr. Hooper; I will take the full responsibility.

MR. HEWARD: I do not know who is responsible for it, but we have incomplete statements; they are not complete, they are incomplete for the two months.

THE COMMISSIONER: Well, they can be supplemented at any time, Mr. Heward.

THE WITNESS: I did not say at any time that that was a complete list.

MR. HEWARD: Oh!

THE WITNESS: All I was going to say was, that that memorandum was not completed until Friday morning of the 3rd of April.

BY MR. HEWARD: Q. I see, so that by that time you had had the figures for March from some of the mills? A. Those companies reporting on Tuesday, Wednesday and Thursday of last week gave me the March figures.

A. That we had not received a report from all the
listed stores, in January and February.

Q. That is, you had not received statements f
March for all of the mills, but you received them
some? A. You must remember that these figures
were obtained from different methods; they were no
obtained all on the second; we started the meeting
here on the 3rd, and they were not all obtained on
second of April.

MR. MORDEN: We compiled this when we left there
I have instructions to Mr. Cooper. If you have a
other figures we will welcome them. There is no
use criticizing Mr. Cooper; I will use the full
[illegible].

MR. HEWARD: I do not know who is responsible f
but we have incomplete statements; they are not com
they are incomplete for the two months.

THE [illegible]: Well, [illegible]
at any time, Mr. Heward.

MR. HEWARD: I did not say at any time that th
are a complete list.

MR. HEWARD: [illegible]

THE WITNESS: All I was going to say was, that
[illegible] was not completed until Friday morning o
rd of April.

BY MR. MORDEN: Q. I see, so that by that time
you had had the figures for March from some of the
[illegible] meeting on Tuesday, Wednesday

but these other companies, these six or seven at the top here, we had received earlier in the week, and we did not get any March figures from them.

Q. You did not get any March figures from them?

A. No.

Q. But you did not file the figures that you had got. Now, I see that you did not get the Valleyfield Silk Mills, and, therefore, you did not make a complete list of all the big mills in Canada; you had the March figures for some, and did not put them in, is that right?

A. Yes.

Q. Now, I understand that you were given, by some of the companies, at your request, a list of the orders on hand and the orders booked, for these three months? A. That was also answered yesterday.

Q. Why did you not file those? A. Why didn't I file them?

Q. Yes? Were you asked to file them? A. I was not asked to file them.

Q. All right? A. The reason, if you want it, was that many of these mills --

Q. So that although you had it from some of them you did not think fit to put it in because you had not got it from all? A. No. I said I had not been asked to file it.

Q. Then you are giving me the reason, that you were not asked to file it; are you giving the reason?

A. I am giving the reason that I gave to Mr. Bulmer, whether he saw fit to file an incomplete list for two

but these other companies, there six or seven at the
top here, we had received earlier in the week, and
we did not get any March figures from them.

Q. You did not get any March figures from them?

A. No.

Q. But you did not file the figures that you had
now, I see that you did not get the Valleyfield Mill
Mills, and, therefore, you did not have a complete list
of all the big mills in Canada; you had the March figures
for some, and did not put them in, is that right?

A. Yes.

Q. Now, I understood that you were given, by some
of the companies, and at your request, a list of the
orders on hand and the orders booked, for these three
months? A. That was also answered yesterday.

Q. Why did you not file those? A. My claim is
I file them?

Q. Very were you asked to file them? A. I
was not asked to file them.

Q. All right? A. The reason, if you get it,
was that many of these mills --

Q. So that although you had it from some of them
you did not think fit to put it in because you had not
got it from all? A. No. I said I had not been
asked to file it.

Q. Then you are giving me the reason, that you were
not asked to file it; are you giving the reason?
A. I am giving the reason that I gave to Mr. Hooper,
namely, he saw fit to file an incomplete list for the

or three mills.

Q. So it was at your suggestion they were not filed? A. Oh, no. Mr. McRuer was given the facts. I am not making any suggestions.

Q. I see, all right. Now, just one phrase in your Exhibit 125, in the foot note you say:

"In December 1935, the cost at prevailing rates of exchange would be 25 cents a pound."

That is for this material that you used in this. By "Cost" do you mean invoice price? A. The cost,-- invoice price, yes.

Q. Because it says "Cost"? A. That was explained the other day, that in several of them we do not mean the cost in Japan; we mean invoice price, what the exporter could buy the goods at.

Q. But not the cost to him of the goods? A. Oh, no.

Q. Or not necessarily the Japanese manufactured costs? A. No.

Q. In that example, you said that the cost at prevailing rates of exchange would be 25 cents a pound, and I think you told us yesterday that you took that from a quotation in December? A. Yes.

Q. Now, that being the case, those goods could hardly arrive in Canada before January 1st, could they? A. That was also explained yesterday.

Q. Would you explain it to me again, please? Answer my question. Could they or could they not arrive--

or three mills.

Q. So it was at your suggestion they were not filed? A. Oh, no. Mr. Hooper was given the I am not making any suggestions.

Q. I see, all right. Now, just one phrase i Exhibit 185, in the foot note you say:

"In December 1950, the cost at prevailing rates of exchange would be 25 cents a pound."

That is for this material that you used in this. "Cost" do you mean invoice price? A. The cost, invoice price, yes.

explained the other day, that in several of them we do not mean the cost in Japan; we mean invoice price what the exporter could buy the goods at.

Q. But not the cost to him of the goods?

A. Oh, no.

Q. Or not necessarily the Japanese manufacture

A. No.

Q. In that example, you said that the cost at prevailing rates of exchange would be 25 cents a po and I think you told us yesterday that you took the from a quotation in December? A. Yes.

Q. Now, that being the case, those goods could hardly arrive in Canada before January 1st, could t

Q. Would you explain it to me again, please?

Answer my question. Could they or could they not

A. In December?

Q. In December? A. Well, the 1st of December--

Q. When were they quoted? A. We will say December.

Q. Did they arrive in December? A. Those goods never arrived.

Q. So this is purely a suppositious case of a quotation made in December for goods which never arrived, but which goods, even if they had been quoted on the 1st day of December, could not arrive probably before January 1st? A. I think if you looked at the records you would find that that price was also quoted in November.

Q. In November? A. I think if you go back you will find approximately the same price quoted in January, 1935.

Q. January, 1935? A. Yes.

Q. Have any goods come in to your knowledge at 25 cents invoice price? A. Yes.

Q. In 1935? A. To my knowledge, the invoice price was not shown at any time in 1935.

Q. Not shown at any time. Well, how did you make the difference between the invoice price and 1.25? A. The goods were shipped on consignment, and therefore, there would be no invoice price, customs invoice price.

Q. And did you value them just at 1.25? A. We valued them at 1.25.

Q. I see. Then that letter that was shown you, of January 10th, which referred to 8 yen for a piece of 30 yards, would not that be an invoice price that was

Q. In December?

A. In December? A. Well, the lot of December--

Q. When were they quoted? A. We will say December.

Q. Did they arrive in December? A. Those goods never arrived.

Q. So this is purely a supposition case of a quotation made in December for goods which never arrived but which goods, even if they had been quoted on the day of December, could not arrive probably before June?

A. I think if you looked at the records you would find that that price was also quoted in November.

Q. In November? A. I think if you go back you will find approximately the same price quoted in January, 1909.

Q. January, 1909? A. Yes.

Q. Have any goods come in to your knowledge at prices invoiced since? A. No.

Q. In 1909? A. To my knowledge, the invoice price was not known at any time in 1909.

Q. Not since it any time. Well, can you make the difference between the invoice price and A. -- the goods were shipped on consignment, and therefore were made by an invoice price, without invoice price?

Q. And did you value them just at 1.85? A. We valued them at 1.85.

Q. I see. Then that letter that was shown you of January 12th, which referred to 8 pcs for a plate of the goods, could not that be an invoice price that

quoted? A. No. The letter states that the value certified to was 8 yen.

Q. The value certified? A. Yes.

Q. Well, were there any goods imported into Canada, in 1935, where the value was certified to at 25 cents, using the prevailing rate of exchange of 29½ cents to the yen. A. To the best of my knowledge no goods were imported into Canada during 1935.

Q. I do not think that answers my question. Would they have to have a certified value? A. They cannot put any value there, because 1.25 would apply.

Q. Yes, but were there any goods imported into Canada, during 1935, where the certified value was 25 cents on that basis of exchange? A. No.

Q. No. Thank you. Now, Mr. Hooper, in the course of your investigations, you have, I think, made an investigation of the cost of manufacture by Dominion Textile, and Montreal cottons, of a number of their fabrics, their rayon silk fabrics, have you not? A. Yes.

Q. And I think, as a matter of fact, that you have seen the memorandum in this regard which the Dominion Textile filed with Mr. Mahler, ~~in~~ a memorandum of their cost of Canadian rayon cloths? A. Yes, I have.

Q. And, as a matter of fact, you went over this and pointed out a slight error in two of them, did you not? A. Yes.

Q. Now, have you examined these carefully? You must have, to point out that slight error? A. No, I

quoted? A. No. The lowest export line was
controlled to was 1 year.

Q. The above certificate? A. Yes.

Q. All, sure there may been imported into Canada
in 1929, were the value was certified to at 10 cents
during the prevailing rate of exchange of 1929 being to
and year. A. To the best of my knowledge
no goods were imported into Canada during 1929.

Q. I do not think that answers my question. Now
they have to have a certified value? A. They must
get any value there, because I do would apply.

Q. Yes, but were there any goods imported into
Canada, during 1929, where the certified value was
to depend on that basis of exchange? A. No.

Q. No. Thank you. Now, Mr. Cooper, in the
course of your investigation, you have, I think, made
an identifying in the case of manufacturers by Canadian
textile, the Dominion Auditors, at a meeting of Sun
Canada, Limited in the Textile Branch, have you not?
A. Yes.

Q. And I think, as a matter of fact, that you have
the memorandum in this regard which the Dominion
Textile filed with it. Answer, in a memorandum of their
cost of cuprammonium rayon clothing? A. Yes, I have.

Q. And, as a matter of fact, you went over this
and pointed out a slight error in the cost. Did you
find? A. Yes.

Q. Now, with the Auditors there particularly
[illegible]

have not examined them carefully, except the computation?

Q. Computation? A. Yes.

Q. You are familiar with cost accounting practices, are you not? A. Yes.

Q. You were a cost accountant with the Barrymore Company? A. Yes.

Q. And you have to do a great deal of that kind of work for the Department of National Revenue? A. Yes.

Q. How do the Dominion Textile Company's costs on the ten different lines, if you would like to call them, their styles, that they filed with Mr. McRuer, compare with the costs in Japan, the manufacturing costs in Japan of corresponding articles? A. I have not seen any corresponding articles yet.

Q. Oh, you have not seen any corresponding articles? A. No.

Q. Have you seen any quotations on them? A. On corresponding articles?

Q. Yes? A. No.

Q. On none of them? A. No.

Q. You do not know then how they compare; are they higher or lower? As a matter of fact, is the cost of manufacturing these articles, or the corresponding articles in Japan lower or higher than those in Canada? A. I cannot say, because I have not seen the cost or corresponding articles.

have you examined them carefully, except the one
[illegible]?

- [illegible] A. Yes.

Q. You are familiar with such accounts as
[illegible]? A. Yes.

Q. You have a good [illegible] knowledge
company? A. Yes.

Q. And you have to do a great deal of that kind
of work for the Department of National Revenue?
A. Yes.

Q. How do the Canadian Textile Company
goods on the gen [illegible] lines, if you would like
to call them, Court styles, that they filed with
Number, compare with the costs in Japan, the manu-
[illegible] in Japan in [illegible] articles?
A. I have not seen any corresponding articles yet.

Q. Do [illegible] any [illegible]?
A. No.

Q. Have you seen any quotations on them?
A. Or corresponding articles?
Q. Yes? A. No.
Q. Or none of them? A. No.
Q. You do not know then how they compare; are the
higher or lower? As a matter of fact, is the cost
of [illegible] goods [illegible], or the [illegible]
articles in Japan lower or higher than those in Canada?
A. I cannot say, because I have not seen the cost
of corresponding articles.

Q. And you cannot say even from your general knowledge? A. If they made the same fabric in Japan, the same quality and the same fabric, and all that goes into making up a fabric, I suppose that they could make it cheaper in Japan than they could here.

Q. Yes. Thenassuming that, take the 25 cents goods.

THE COMMISSIONER: What is that, Mr. Heward?

MR. HEWARD: Q. Take the 25 cent goods that you refer to in your example. A. Yes.

Q. That is 25 cents a pound. Would the laid-down cost of those goods in Toronto, with all duties and charges paid, be less or more than the Montreal Cottons cost of manufacture? A. I won't answer that, because we are getting back again to the quality of cloth.

Q. I am asking you about cloth of the same construction.

THE COMMISSIONER: Q. The same quality?

MR. HEWARD: The same construction, my lord.

MR. McRUER: That is a different thing. The same construction and the same quality are two entirely different things.

BY MR. HEWARD: Q. Well, I am asking about cloth of the same construction.

Q. I am not sure that the Montreal cottons make a cloth of the same construction.

. You say that frankly? A. Frankly, yes. I do not think that Mr. Gordon will say it is the same construction.

. And you cannot say even from your general knowledge? . If they dye the same family in Japan, the same quality and the same fabric, and at least goes into making up a fabric, I suppose that it would make it cheaper in Japan than they would here? . Yes. Notwithstanding that, take the 50 cent case.

The Commissioner: What is that, Mr. Howard?

Mr. Howard: . Take the 50 cent press that you refer to in your example. . Yes.

. What is to create a young, small the industry of Japan grown in Toronto, with all duties and charges paid, be less or more than the material cost of manufacture? . I don't answer that, because we are getting back again to the quality of

. I am making you some cloth of the same construction.

The Commissioner: . The same quality?

Mr. Mr. Howard: The same construction, my lord.

Mr. Howard: That is a different thing. We were talking about construction and the same quality are two entirely different things.

Mr. Howard: . Well, I am asking about cloth of the same construction.

. I am not sure that the mercerised cotton makes a very of the same construction.

. You say that Tuesday? . Friday. Yes. I am not taking that Mr. Bowen will say it is the same

MR. McRUER: I am going to examine Mr. Gordon on it in a few minutes.

BY MR. HEWARD: Q. Now, Mr. Hooper, you told us, I think, that the fair market value of foreign goods which are entered for consumption in Canada, is determined by officialin British and foreign countries, - Canadian officials, is that right? A. Yes.

Q. In what foreign countries? A. The United States, France - pardon me just a minute, Mr. Heward. There has been some change made in Europe. I believe that the men, our officers, are now located in London, or will be located in London and work from London, at least, cover the Central European countries from London.

Q. England and Central European countries, is that right? A. Yes. They go into Poland, Germany, Holland, France, Italy, and any of the exporting countries there.

Q. United States, England, and Central European countries? A. Yes.

BY THE COMMISSIONER: Q. When you say "Central European countries", you mean the Continent? A. The Continent, yes, my lord. They do not go into Russia. All of Europe, practically, other than Russia, because they go up into Sweden, Denmark and Norway.

BY MR. HEWARD: Q. Is that all? A. Yes, that is all.

Q. So that there are none in Japan? A. There are none in Japan.

1944 Burgess-

Mr. Burgess: I am going to examine Mr. Hogan

it is a big difference.

MR. Mr. HOGAN: Now, Mr. Hogan, you said

I think, that the fair market value of foreign goods

entered for consumption in Canada, in determining

officials in British and foreign countries, - Canadian

officials, is that right? A. Yes.

Q. In what foreign countries? A. The United

States, France - pardon me just a minute, Mr. Burgess

there has been some change made in Europe. I had

the map, you [illegible], my son [illegible] is

or will be located in Rumor and work from Lorenz,

at least, cover the General European countries from

London.

Q. England and General European countries, is that

right? A. Yes. They go into Poland, Germany,

Holland, France, Italy, and any of the exporting

countries there.

Q. Holland, Belgium, and General European

countries? A. Yes.

BY THE COURT: Q. When you say "General

European countries", you mean the continent?

A. The Continent, yes, my lord. They do not go in

Russia. All of Europe, practically, other than Russia

because they go by Iron Curtain, Denmark and Norway.

BY MR. [illegible]: Q. That, I

is all.

Q. They are none in Japan? A. There

Q. Now, you gave us the information, that in January and February, 1936, there were 236,000 yards, roughly, imported.

MR. McRUER: January, February and March.

MR. HEWARD: January, February and March?

MR. McRUER: Yes.

MR. HEWARD: No, I don't think so.

THE WITNESS: January, February and March, the first three months of 1936.

THE COMMISSIONER: Yes. You say, there are two different exhibits; Exhibit 127, that is complete for the three months.

MR. McRUER: Yes.

MR. HEWARD: It was February and March, then in January?

MR. McRUER: January is included.

THE WITNESS: No importations, but there were shipments in January.

BY MR. HEWARD: Q. Were there any importations in January? A. No, there were no importations.

THE COMMISSIONER: It is importations since January 1st.

MR. HEWARD: And this starts in February.

THE COMMISSIONER: They started to arrive in February.

MR. HEWARD: Yes.

THE COMMISSIONER: It is all importations for this year.

MR. HEWARD: Yes. I just wanted to know which

Q. Now, you gave us the information that in January and February, 1928, there were 259 [illegible] roughly, imported.

MR. MONDER: January, February and March.

MR. HEWARD: January, February and May only?

MR. MONDER: Yes.

MR. HEWARD: No, I don't think so.

THE WITNESS: January, February and March, the first three months of 1928.

THE COMMISSIONER: Yes. You say, there are two different exhibits; Exhibit 187, that is complete for the three months.

A. Yes.

MR. HEWARD: If we do February and March, then is January?

MR. MONDER: January is included.

THE WITNESS: No importations, but there were shipments in January.

BY MR. HEWARD: Q. Were there any importations in January? A. No, there were no importations.

THE COMMISSIONER: It is importations since January 1st.

MR. HEWARD: And this starts in February.

THE COMMISSIONER: They started to arrive in February.

A. Yes.

THE COMMISSIONER: It is all importations for this year.

two montsh it was.

THE COMMISSIONER: Well, it is three months.

MR. HEWARD: I am sorry to keep you waiting, your Lordship, but I had a figure, and in picking up my papers it has been mislaid.

THE COMMISSIONER: That is all right, Mr. Heward.

MR. HEWARD: We can bring it out by another witness.

BY MR. HEWARD: Q. Now, Mr. Hopper, in giving us an example of the duty, in 1936, on the prevailing rates, and using as an example goods at an x invoice value of 25 cents a pound and 29 cents to the yen, I think you said that the duty was 265 per cent. of the invoice value, wasn't that right? Your evidence is 265 per cent. A. Did I say the duty?

Q. Well, that the total? A. I should have said that the regular and special duty was 265 per cent. of the invoice value.

Q. Well, I meant the total? A. I think the Exhibit went in as protection. The word "Protection" was used.

Q. It was not mentioned in the Exhibit, but you said it was protection, all right. It does not show the percentage here, but you show 1.53 per pound, and you state that the protection afforded was 265 per cent. of the invoice value of the goods? A. I believe so, yes. I have not got the figures in front of me.

Q. That is what I took from your evidence, that it was 265 per cent. A. Of the invoice value.

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Q. So that if the goods dropped, say, to 12½¢ on the basis of 29¢ to the yen, the protection, the duty would vary slightly, because you only have 36 of 12½? A. Yes.

Q. And you would have the same specific duty? A. The same specific duty, and a little less special duty.

Q. So that you would have a considerably larger percentage of what you call "protection" compared with the invoice value of the goods, would you not? A. You would if they dropped to 12½¢ a pound.

Q. Yes, if they dropped to 12½¢ a pound? A. Yes.

Q. So that in spite of the fact that the importer would have a smaller duty to pay, that is right, isn't it? A. That is right.

Q. You, instead of perhaps having 265 per cent. on your comparison, would have perhaps around 500 per cent., or more; I think it would probably work out at that roughly? A. It would be over 400 per cent., maybe.

Q. It would be over 400 per cent.? A. Yes.

Q. So that the comparison would be much more striking on that basis, wouldn't it? Would it or would it not? A. On that basis, yes.

Q. Yes. So that what you are doing is not comparing the shield with the thing that has to be protected, but that the weapon that has to be used against it is not the size of the shield, when you used that example?

Q. So that if one goes dropped, say, to 1[illegible]
on the basis of 2% to the year, the protection, th[illegible]
duty would vary slightly, because you only have 2[illegible]
1%? A. Yes.

Q. And you would have the same specific duty[illegible]
A. The same specific duty, and a little less [illegible]
duty.

Q. So that you would have a comparably la[illegible]
percentage of what you call "protection" compared [illegible]
the invoice value of the goods, would you not [illegible]
A. You would if they dropped to 1½ per pound.

Q. Yes, if they dropped to 1½ a pound?

A. So that in spite of the fact that the in[illegible]
would have a small ad valorem duty, that is right, [illegible]
1%? A. That is right.

Q. You, instead of perhaps having 200 per ce[illegible]
on your comparison, would have perhaps around 50[illegible]
per cent., or more; I think it would probably wo[illegible]
at that roughly? A. It would be over 400 per [illegible]
maybe.

Q. It would be over 400 per cent.? A. Yes.

Q. So that a comparison would be much more [illegible]
striking on that basis, wouldn't it? Would it [illegible]
it not? A. On that basis, yes.

Q. Yes. So that what you are doing is not [illegible]
comparing the entire duty the thing that has to [illegible]
[illegible], but that the weapon that has to be ra[illegible]
[illegible] is not the size of the trigger, when y[illegible]

A. That is an actual case.

Q. You brought it out, you took the trouble --

A. You had better ask Mr. McRuer.

Q. Oh, it was he who mentioned it?

A. I don't bring those things out.

Q. It was Mr. McRuer who was giving evidence.

THE WITNESS: The witness means to say this, that he answered Mr. McRuer's questions, which was on that basis, and now he will answer your question on any basis you put to him.

THE WITNESS: It is not to say that I am responsible for bringing it out.

THE COMMISSIONER: You will have to do the commenting on it later, Mr. Heward.

MR. HEWARD: I misunderstood what Mr. Hooper said. I understood him to say that Mr. McRuer said it and not he.

THE WITNESS: The Commissioner asked me what the percentage was of .95; I said 800. But I was not the one who mentioned the fact first. It was brought out.

BY MR. HEWARD: Q. Do you know, Mr. Hooper, how much rayon was ~~rep~~ imported in the months of January, February and March, 1933, into Canada through Japan?

A. No.

Q. Can you obtain those figures? A. Yes.

Q. Will you do so and file a statement of them?

A. Yes, rayon fabrics.

Q. Rayon fabrics of the same class? A. Fabrics,

That is an actual case.

Q. You brought it out, you took the trouble --

A. You had better ask Mr. Hooper.

Q. Oh, it was he who mentioned it?

A. I don't bring cases before you.

Q. It was Mr. Hooper who was giving evidence.

THE WITNESS: The witness seems to say this, that he answered Mr.Hooper's question, which was on that basis, and now he will answer your question on any basis you put to him.

THE WITNESS: It is not to say that I am responsible for bringing it out.

THE COMMISSIONER: You will have to do the commenting on it later, Mr. Hooper.

MR. HOOPER: I misunderstood what Mr. Hooper said. I understood him to say that Mr. Hooper said it was [illegible].

THE WITNESS: The Commissioner asked me that question [illegible] I was not the one who mentioned the fact first. It was brought out.

BY MR. HOOPER: Q. Do you know, Mr. Hooper, how many [illegible] was imported in the months of January, February and March, 1935, into Canada through Japan?

A. No.

Q. Did you attach those figures?

Q. Will you do so and file a statement of the [illegible]

A. Yes, from Yokohama.

Q. Are the rates alike? A. [illegible]

wholly of rayon.

Q. Well, of the same class, as you stated in your Exhibit 127, please.

MR. McRUER: The same class.

MR. HEWARD: Well, to cover the same kind of goods. It says, "Importation of artificial silk fabrics from Japan during January, February and March," and I want the corresponding figures for 1935.

MR. McRUER: You are not serious about that, are you?

MR. HEWARD: January, February, and March, 1935, yes, I want that.

THE WITNESS: I could make a guess.

BY MR. McRUER: Q. Mr. Hooper, just to deal with this example, Exhibit 125 --

THE COMMISSIONER: Pardon me a second, Mr. McRuer, you are sure you mean 125; that is about the effect of the Order in Council 3013 ?

MR McRUER: Yes, my lord. That is the 25¢ article, and what the duty will be on it, or what the protection would be on that article.

RE-EXAMINATION BY MR. McRUER:

BY MR. McRUER: Q. What do you say as to whether this reflects a correct picture of what a pound of rayon will sell at, or rather, I should say, what a pound of rayon costing 25¢ would have cost to lay down, what the duties on it would have been prior

[illegible] -- [illegible]

Q. Well, of this same class, as you stated i[illegible]

[illegible]

Q. [illegible] the same [illegible]

MR. MORDEN: Well, to cover the same kind of [illegible] It says, "Importation of artificial silk fabrics [illegible] Japan during January, February and March, "and I [illegible]

MR. MORDEN: You are not worried about that, [illegible]

MR. HOOPER: January, February, and March, I [illegible] yes, I want that.

THE WITNESS: I could make a guess.

BY M. MORDEN: Q. Mr. Hooper, just to de[illegible] with this example, Exhibit 128 --

THE COMMISSIONER: Have a no a second [illegible]

MR. MORDEN: Yes, Sir, we have that. What is the [illegible] the effect of the order in Council 2213 ?

MR. MORDEN: Yes, my Lord. That is the [illegible] the protection would be on that article.

BY MR. MORDEN: Q. What do you say as to wh[illegible] rayon will sell at, or rather, I should say, wh[illegible] a pound of rayon coming, it would have cost to [illegible] that the duties on it would have been pro[illegible]

to January 1st, 1936? A. It is absolutely a true statement.

Q. Yes, and you could take similarly any of the importationsthat are shown on Exhibit 127, and work out a similar statement showing what the duty would have been at the same rateof duty --

THE COMMISSIONER: If any importations had been made.

MR. McRUER: Yes, if any importations had been made in December.

THE COMMISSIONER: That is a better way to put it.

MR. McRUER: Yes, my lord.

BY MR. McRUER: Q. You can work it out and show what protection would have been then, and show what the protection is to-day on any one of those?

A. Providing the invoice value is the price at which they can buy the goods, or are buying the goods. Of course, you know, some goods are on consignment, and there will be no invoice value assigned .

BY THE COMMISSIONER: Q. But in this case there are certified values given? A. Yes, my lord.

BY MR. McRUER: Q. As I understand it, when the fixed valuation was on, a certified value was not a very reliable thing to go on, because the fixed valuation provided for duty purposes and the Customs Department were not concerned very much with the certified value? A. In all cases, the value in Japan is lower than the fixed valuation.

to January 1st, 1932? A. It is absolutely a true statement.

Q. Yes, and you could take similarly any of the importations that are shown on exhibit 147, and work a similar statement showing what was duty would have been at the same rate of duty --

THE COMMISSIONER: If any importations had been made.

MR. GORMAN: Yes, if any importations had been made in December.

THE COMMISSIONER: That is a better way to put it.

MR. MONAGH: Yes, my lord.

BY MR. GORMAN: Q. You can work it out and show what protection would have been then, and show what the protection is to-day on any one of those?

A. Providing the invoice value is the price at which they can buy the goods, or are buying the goods. Of course, you know, some goods are on consignment and there will be no invoice value assigned.

Q. Are [illegible] are certified values given? A. Yes, my lord.

BY MR. MONAGH: Q. As I understand it, when fixed valuation was on, a certified value was not very reliable thing to go on, because the fixed valuation provided for duty purposes and the Customs [illegible] actual value? A. [illegible]

Q. [illegible] is there been the final valuation.

Q. Yes? A. And, therefore, any value certified to is simply maybe a nominal value; it certainly had no bearing on the transaction at customs.

Q. Well now, I just want to be clear on that, because we hear a chorus coming from behind me about it. Are there any qualifications on that, Mr. Hooper. You must be absolutely clear that in the practice in the Customs Department, when the fixed valuation was on, you did not take any stock in the certified value at all? A. Will you read my answer to Mr. McRuer's previous question?

(The Reporter read the previous answer, as follows):

"In all cases, the value in Japan is lower than the fixed valuation."

BY MR. McRUER: Q. Would you need to take a certified value into consideration in estimating the dump duty where it amounted to 50 per cent.? A. Not when the goods are shipped on consignment and the value certified to was less than 1.25 a pound.

Q. I see, if the goods were shipped on consignment and the value certified to x is less than 1.25 a pound, which you say was the case in all cases; then you do not take the certified value into consideration in estimating the dump duty? A. No.

Q. You might just explain that? A. There would be no dump duty provided if the consignee sold the goods to the purchaser in Canada at not less than the

[illegible]. And, therefore, any value certified to is simply maybe a nominal value; it certainly had no bearing on the transaction at one

Well now, I just want to be clear on that, [illegible] Are there any qualifications on that, Mr. [illegible] You must be absolutely clear that in the practice in the Customs Department, when the fixed valuation was on, you did not take any look in the certified value at all? A. Did you read my answer to Mr. Hooper's previous question?

(The reporter read the previous answer, as follows:

"In all cases, the value in Japan is lower than the fixed valuation."

BY MR. MORRIS: Q. Would you mind to take a certified value into consideration in estimating the duty when there it amounted to 50 per cent.? A. Not when the goods are shipped on consignment and the value certified to was less than.5% a pound.

Q. I see, if the goods were shipped on consignment [illegible] a pound, which you say was the case in all cases, then you do not take the certified value into consideration [illegible]

Q. You might just explain that? A. There was no duty provided if the consignee sold the [illegible] the producer in Japan at not less than [illegible]

price he could import the goods. That means, if you take your 1.25 a pound, plus your duties, and arrive at a value at which he could sell the goods in Canada, and if the consignee of the goods did not sell his goods less than that price there would be no dump duty.

Q. That was because of the fixed valuation? A. You mean in arriving at a price?

Q. Yes? A. Yes, as far as that goes.

BY THE COMMISSIONER: Q. The value of what? A. 1.25 a pound, my lord.

Q. Can you do this for me; Mr. Lanctot showed me a statement, which was headed "27inch plain rayon, weighing 8.75 yards per pound," But it does not undertake to show whether that is a yard, a pound, or a ton, - I mean that price of .299 ~~cents~~ in Japan; I am just wondering if we could arrive at some unit that that represented; I do not know what he is basing it on, I am sure.

THE WITNESS: He spoke of 3 cents a yard yesterday.

MR. LANCTOT: A yard, yes.

THE COMMISSIONER: There is no use puzzling me about this, Mr. McRuer, because that document is withdraw, and I think we had better forget it until it is put in shape.

MR. McRUER: Then I will speak to Mr. Hooper about it later, as Mr. Beauregard says, in camera, and I can dissect it then.

price he could import the goods. That means,
you take your 1.45 a pound, plus your duties, s
arrive at a value at which he could sell the
in Canada, and if the consumer of the goods
will his goods less than that price there
no dump duty.

Q. That was because of the final valuation?

A. You mean in arriving at a price?

Q. Yes? A. Yes, as far as that goes.

BY THE COMMISSIONER: Q. The value of meat?

A. 1.45 a pound, my lord.

Q. You put up a fair co; Mr. Jameson
a statement, which was headed "Canadian plain
weighing 6.75 pounds per pound." But it does not
undertake to show whether that is a pound,
a ton, - I mean that price of .095 cents in Japan
I am just wondering if we could arrive at some
that this is reasonable; I do not know what he is
making it on, I am sure.

THE WITNESS: He spoke of 5 cents a pound yesterday.

Mr. LAWSON: A pound, yes.

THE COMMISSIONER: There is no use quarrelling
about this, Mr. Lawson, because that document is
without, and I think we had better forget it unti
he is here to answer.

Mr. MOLTON: Then I will speak to Mr. Hodgson
about it later, as Mr. Beauregard says, in answer,
and I can dispose of it then.

BY MR. McRUER: Q. Now, you were questioned yesterday in reference to the United States duties on other fabrics, and a comparison between the United States and Canada, on the Jacquard fabrics as well as the taffetas? A. Yes.

Q. Have you, since you gave your evidence yesterday, investigated the duties on those articles? A. Yes.

Q. And have you worked out the duties? A. Yes.

Q. Now you have your notes, and I can file them, but you might tell his Lordship what you have done and then we can have the notes transcribed into a statement and filed. A. I have this worked out as "Protection on artificial silk fabrics, based on home market values and export selling prices, white and coloured.

THE COMMISSIONER: Speak a little louder for my sake, Mr. Hooper.

MR. WITNESS: Will I start again, my lord?

THE COMMISSIONER: Yes.

THE WITNESS: I have this headed as: "Protection on Artificial silk fabrics, based on home market values and export selling prices, white and coloured, not including jacquard weave."
I find here from this computation, or I found by computing the value for duty at 90 yen per pound, that the Canadian duties, special and regular, amount to 63.8 per cent. That is as given in the evidence

Mr. Morris: Now, you were speaking about

[illegible] in Italy and France

on other fabrics, and a comparison between the pri-

-ceses and those, of the imported fabrics as well

as the manufacture? A. Yes.

Have you, since you have your evidence yes-

-day, investigated the d. when on those articles?

A. Yes.

And have you marked out the prices? A. Yes.

Now you have your notes, and I can file them

but you might tell his Lordship, that you have made

and that we have the prices translated into a

statement and filed. A. I have this marked out

as "Production on artificial silk fabrics, based

on home market values and export selling prices,

ratio and colourers.

THE COMMISSIONER: Speak a little louder for

my sake, Mr. Lemmer.

Q. [illegible] I have Italy, Germany

[illegible] Yes.

THE WITNESS: I have this marked ...

"Production on artificial silk fabrics, based on

home market values and export selling prices, ratio and

colourers, per [illegible] marked marks."

I then have from this computation, or I found by

comparing the value for duty at 30 per pound,

that the average duties, special and regular, amount

to 62.8 per cent. That is as given in the evidence

on Friday, and that the United States duties amount to 60 and 3/5ths; the Canadian duties, in that example, are 5 per cent. higher. Now, I have taken another example, a higher priced fabric, and we find that the difference is 10 per cent.

THE COMMISSIONER: Which way?

THE WITNESS: As a higher protection for Canada.

BY MR. McRUER: Q. Why is that, Mr. Hooper? On the higher priced article, why is it that the protection for Canada is higher than on the lower priced article? A. That is on account of the special duty.

BY THE COMMISSIONER: Q. On account of the special duty? A. The special duty, my lord.

MR. McRUER: It is called a currency dumping duty, but I do not think that is a proper term to apply to it.

Q. You say that in this example the Canadian commodity was protected 10% higher than the American or United States commodity. Now, take the Jacquard weave. The Jacquard is the one that Mr. Lanctot cross-examined you on. Now then, have you worked out the duty on the Jacquard cloth? A. Yes, I found that out. The duty on the Jacquard cloth in Canada is one per cent. higher than in the United States.

BY MR. LANCTOT: Q. And you figured 70, not 60? A. I figured that 70, the Jacquard, because it has higher ad valorem duty in the United States.

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duty, and that the United States duties amount to 60 and 6/8ths; the Canadian duties, in that case, were 2 per cent. duty. Now, I have taken another example, a higher price article, and we find that difference is 10 per cent.

THE COMMISSIONER: Which way?

THE WITNESS: As a higher protection for the

BY MR. MONDEN: Q. Why is that, Mr. Hooper? On the higher priced article, why is it that the protection for Canada is higher than on the lower priced article? A. That is on account of the special duty.

BY THE COMMISSIONER: Q. On account of the special duty? A. The special duty, My Lord.

MR. MONDEN: It is called a surcharge duty, but I do not think that is a proper term to apply to it.

Q. You say that in this example the Canadian commodity was protected 10% higher than the same or United States commodity. Now, take the Jacquard weave. The Jacquard is the one that Mr. Lamoto cross-examined you on. Now then, have you worked out the duty on the Jacquard cloth? A. Yes, I found that out. The duty on the Jacquard cloth in Canada is 30 per cent, higher than in the United States.

BY MR. LAMOTOT: Q. Are you figures Vo. A. Figures that Vo, the Jacquard, because it figures 30 ad valorem duty in the United States.

BY MR. McRUER: Then, Mr. Hooper, you were asked about your interviews with the purchasers of these rayon materials, as to whether, from your interviews, the importations from Japan were suitable for dress goods, and you said that if you were to take the replies you got from those people, you would say they were not. Did they indicate to you just what they thought of these Japanese goods that had been brought in? A. In many cases, yes. I would say that in practically all cases.

Q. Yes, and what was the information you got in respect to their views on the Japanese goods that had come on the market?

MR. LANCTOT: Well, my lord, surely my friend cannot ask that.

THE COMMISSIONER: Who are you talking about, the importers?

MR. McRUER: No, the consumers.

MR. LANCTOT: What he heard on the street.

THE COMMISSIONER: What do you mean by "consumers"?

MR. McRUER: The dealers.

THE WITNESS: The buyers for these different stores.

THE COMMISSIONER: Better have some of them come here and talk about it.

MR. McRUER: All right, my lord. The only thing was, Mr. Howard examined him on that matter.

MR. [illegible]: Then, Mr. [illegible], you were asked about your interviews with the purchasers of these rayon materials, as to whether, from your interviews, the importations from Japan were suit for these goods, and you said that if you were to make the replies you got from these people, you w they were not. Did they indicate to you just what they thought of these Japanese goods that ha been brought in? A. In many cases, yes. I would say that in practically all cases.

Q. Yes, and what was the information you re in respect to their views on the Japanese goods th had come on the market?

MR. [illegible]: Well, my lord, surely my friend cannot ask that.

THE COMMISSIONER: Who are you talking about, [illegible]?

MR. [illegible]: [illegible]

MR. [illegible]: That he heard on the street.

THE COMMISSIONER: What do you mean by "cu ers"?

MR. [illegible]: The dealers.

THE WITNESS: The buyers for these different firms.

THE COMMISSIONER: Better leave none of this [illegible].

MR. [illegible]: All right, my lord. [illegible]

[illegible]

THE COMMISSIONER: Well, two wrongs do not make a right.

MR. LANCTOT: Yes, that would be the better way, my lord, have them come here, and give their testimony. We do not want what has been heard on the street.

THE COMMISSIONER: I thought you were trying to examine him on the cost of labour in Japan.

MR. LANCTOT: That is, knowledge.

MR. McRUER: I am nearer to him. I am dealing with a man in Montreal.

MR. GEOFFRION: We won't be going to Japan.

MR. McRUER: I think that is all just now, Mr. Hooper.

BY MR. LANCTOT: Q. Now, you will produce your example? A. Yes.

Q. So that we can check it? A. Yes.

MR. McRUER: We will file that.

(Page 1946 follows)

HIS HONOUR: Well, two wrongs do not m
right.

MR. LAMOTOT: Yes, that would be the proper
my Lord, have them come here, and give their testi
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examine him on the cost of labour in Japan.

MR. LAMOTOT: That is, knowledge.

MR. MONDER: I am nearer to him. I am fam
with a man in Montreal.

MR. COMMISSIONER: We won't go going to Japan.

MR. MONDER: I think that is all just now, M
Commer.

BY MR. LAMOTOT: Q. Now, you will produce your
books? A. Yes.

Q. So that we can check it? A. Yes.

MR. MONDER: We will file that.

(Exhibit No. 1)

GEORGE BLAIR GORDON, Sworn,

EXAMINED BY MR. McRUER:

Q. Mr. Gordon, are you an officer of the Dominion Textile Company? A. Yes, Mr. McRuer.

Q. What office do you hold? A. I am managing director at the present time.

Q. Managing director, and how long have you been managing director? A. Since about the middle of November, 1933.

Q. Yes. Are you an officer of any other companies? A. Textile companies.

Q. Well, we will start with Textile companies? A. Yes. I am also the managing director of Montreal Cottons Limited, and of the Drummondville Cotton Co., and that is all in the Textile field.

BY THE COMMISSIONER: Q. Montreal Cottons, Limited? A. Montreal Cottons, my lord.

Q. The other one is what? A. The Drummondville Cotton Company, Limited.

BY MR. McRUER: Q. And are you an officer of other companies? A. Yes. I am the president of the Industrial Specialty Manufacturing Company.

Q. Industrial Specialty Manufacturing Company? A. Yes.

BY THE COMMISSIONER: Q. President of what? A. I am president of the Industrial Specialty Manufacturing Company.

BY MR. McRUER: Q. What do they do?

[illegible]

[illegible]

[illegible]

Q. Gordon, are you an officer of the Lon[illegible]

(witness sworn) Q. Yes, Mr. Gordon.

Q. What office do you hold? A. I am managing director at the present time.

Q. Managing director, and how long have you been managing director? A. Since about the middle of November, 1945.

Q. Yes. Are you an officer of any other companies? A. Textile companies.

Q. Well, we will start with textile companies.

A. Yes. I am also the managing director of Dominion Cotton Milling, and of the Dominion-Textile Cotton Co., and Lino is sold in the textile field.

Q. [illegible] A. Industrial Cotton, Limited? A. Industrial Cotton, my lord.

Q. The other one is what? A. The Dominion Cotton Company, Limited.

Q. Mr. McKinnon: Q. And are you an officer of the company? A. Yes. I am the president of the Industrial Specialty Manufacturing Company.

Q. Industrial Specialty Manufacturing Company? A. Yes.

Q. The Consolidated, Q. President of that? A. I am president of the Industrial Specialty Manufacturing Company.

Q. Mr. McKinnon: Q. Does do they do

A. They make wood products, turned wood products, such as bobbins, and skewers, and spools, picker sticks.

Q. For supply to? A. For supply to our own mills.

Q. To Textile mills? A. To textile mills in general, yes.

(Page 1950 follows)

Q. What other companies are you connected with?
A. I am a director of the Mutual Life Assurance Company of Canada. I think that is all, of any that I can bring to mind at the moment.

Q. Does the Dominion Textile hold a controlling interest in the Montreal Cottons Company?
A. Yes, it owns a considerable block of the common stock but practically none of the preferred.

THE COMMISSIONER: Which company?

MR. McRUER: The Montreal Cottons, my lord.

THE COMMISSIONER: Holds --

MR. McRUER: A considerable block of the common stock of the Montreal Cottons Company.

THE COMMISSIONER: In theDominion Textile?

MR. McRUER: Yes, my lord.

Q. When you say a considerable block can you tell me what proportion of the shares? A. Yes, I can tell you very closely. There are 30,000 common shares and Dominion Textiles owns just over 16,000.

Q. And does the Dominion Textile own a controlling interest in the Drummondville Company? A. Yes.

Q. The Drummondville Cotton Company? A. Yes that is a wholly owned subsidiary of the Dominion Textiles.

Q. That is a wholly owned subsidiary of the Dominion Textiles? A. Yes.

Q. Does the Dominion Textile own a controlling interest in the Industrial Specialties, Limited?
A. That is a wholly owned subsidiary.

Q. Has the Dominion Textile ownership in any other

Q. Your other businesses are you associated in

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THE COMMISSIONER: Holds --

MR. MORDEN: A considerable block of the comm

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THE COMMISSIONER: Is that not a Textile?

MR. MORDEN: Yes, my lord.

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Q. The Drummondville Cotton Company?

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Q. That is a wholly owned subsidiary of the

Textile? A. Yes.

Q. Does the Dominion Textile own a controll

interest in any important Canadian Subsidiary

A. That is a wholly owned subsidiary.

Q. Has the Dominion Textile a membership in an

companies? A. It has stock holdings in many companies through its investment account, but I would say there are no other companies where it is any direct control.

Q. You would be in a position to give us a list of the stock holdings it has in other companies? A. Yes, that is kept pretty well to date.

Q. I am not going into all your financial structure to-day by any means; I just want to get a little outline of the situation. Now, the Dominion Textiles operate a plant at Sherbrooke? A. Yes, that is one of the branches of the Dominion Textiles.

Q. One of your branches; you have branches in what other places? A. The Dominion Textile mills are at Montmorency Falls, Province of Quebec, Drummond -- no, I must not count that -- Sherbrooke, Magog, and then in Montreal we have the Hochelaga branch, the Merchants branch, the Mount Royal branch, and what we term the Colonial Bleachery. Then we also have in Montreal the St. Anne's Warehouse, which is not operating as a cotton mill. It is a unit though, if you like -- would you like that included?

Q. Yes. A. You said operating so I was not quite sure.

Q. Quite right. A. Then, our Verdun plant.

BY THE COMMISSIONER: Q. Which? A. Our Verdun plant which, as has been brought out in the evidence, was more or less dismantled last summer. We continued to operate our general machine shop there, which has been there all along, and is used to

[illegible]

A. It has stock holdings in many companies through its investment account, but I would say there are no other companies where it is a [illegible].

Q. You would be in a position to give us a list of the stock holdings it has in other companies?

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Q. Yes. A. You said operating as I [illegible] not quite sure.

Q. Quite right. A. Then, our Verdun plant [illegible]

Q. [illegible] A. [illegible]

Verdun plant which, as has been brought out in the evidence, was more or less dismantled last summer [illegible] Dominion [illegible] has been there all along, and is used

do major repair jobs. It is entirely mechanical, no production of goods and the mill is used now to some extent for storing cotton at the present time. I think that is the complete story.

Q. Well now, the Montmorency mill is what kind of a mill, a cotton mill? A. Yes.

Q. What do you do down there? A. We do a very large part of the yarn business from Montmorency. That is where we are selling yarn -- producing yarn for sale purposes to the trade, as we term it. We also manufacture certain types of cloths, in particular cotton blankets is one that comes to my mind. We make large quantities of what we term bag cloth; that is cotton in the grey sold to the various bag manufacturers. We make robe cloths there --

Q. Robe cloths? A. R-o-b-e.

Q. What are those? A. Those are somewhat akin to blankets. They are made from a straight cotton warp and usually a waste mixture cotton weft, and they are very often produced in jacquard designs and colour.

Q. What are they used for? A. They are made up by dress houses into those cheap dressing gowns and beach robes.

Q. Cheap bath robes? A. Yes. In the yarn field, if you want more detail, we make hosiery yarns, what we term hosiery yarns. Those are yarns going to the knitters. Warp yarns, that is yarns going to the weaving trade, and many specialty types of yarn.

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going to the weaving trade, and many specialty

Q. Yarn.

Q. Do you make all your cotton yarns for weaving?

A. Do we make all yarn --

Q. All your cotton yarns for weaving?

A. In the company as a whole?

Q. Yes. A. Yes, with the very slight exception that we bring in from England, or have brought in in the past at times a certain kind -- a very small amount of Turkey red yarn for headings in bath towels.

BY THE COMMISSIONER: Q. For what?

A. Headings, the cross borders in bath towels, the weft.

BY MR. McRUER: Q. What is the finest yarn you manufacture? A. In the Dominion Textile Company proper?

Q. Well, in any of your associate companies as well? A. Well, including the whole field we make up to about -- I would not like to be too definite -- about one hundred and twenties, and perhaps some one hundred and forties. Those are yarns used in the electrical trade chiefly.

Q. Mercerized or unmercerized? A. No, those are not mercerized.

Q. Where are they made? A. Those particular yarns are made at the Montreal Cottons, Limited plant at Valleyfield.

Q. You make all your fine yarns, forties and finer? A. Yes. I want to keep you absolutely straight so you won't trip me up. We have at times brought in small quantities of such yarns as two ply eighties and two ply one hundreds to check on our quality and make sure our yarn weaves

Q. Do you make all your cotton yarns for weaving

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Q. All your cotton yarns for weaving?

A. In the company as a whole?

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BY MR. MOSKOVITCH: Q. What is the finest yarn you manufacture? A. In the Dominion Textile Company property

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Q. Variations of manufacture? A. Yes, there are not material.

Q. Which are your finest? A. Some particular yarns are made at the Montreal Cottons, Limited plant at Valleyfield.

Q. You make all your fine yarns, fourtlies and finer? A. Yes. I want to be sure you absolutely straight so you won't trip me up. We have at times brought in small quantities of some yarns as far finer as fifteens and twenties to check on our quality and make sure our yarns are

as well.

Q. Do you sell yarn to other weavers?

A. Yes.

Q. What other weavers do you supply with yarns?

A. Well, we have supplied such firms as Stauffer-Dobie in Galt where they are engaged in manufacturing towels. We supply yarn to Poddrell and Alexander, Cornwall, Ontario, who are engaged in weaving all kinds of curtain materials, marquisettes and those mesh curtains and net curtains. We supply yarn to many narrow fabric weavers, people making labels, those strips that you get your name put on.

Q. That is a very fine yarn? A. Not particularly, no.

Q. What is it? A. Well, I would not like to be too definite. I would say in the neighbourhood of thirties.

Q. I thought it was about eighties?

A. I don't think so, sir. And we supply yarns to people weaving what they call union cloths, mixtures of cotton and wool and mixtures of cotton and mohair and many other types of mixtures.

Q. Do you supply yarns to any of your large competitors in the weaving trade, Canadian Cottons, Wabasso -- A. No, I cannot remember where we have ever shipped any yarn to Canadian Cottons or Wabasso or any of the other large companies.

Q. Well, that is the Montmorency plant and the Drummondville Cotton Company? A. You say that is the Montmorency plant; all those yarns I referred to do

cotton.

Q. Do you sell yarn to other weavers?

A. Yes.

Q. What other weavers do you supply with yarns?

A. Well, we have supplied such firms as Stauffer-Dobie in Ontario; they are the ones in Montmorency County, Ontario, for small jobs in Kentucky and Tennessee, Stauffer-Dobie, who are located in Toronto and Hamilton, Montreal and Toronto, who are located in Toronto and Hamilton, Montreal and Toronto and in Quebec. We supply yarn to many hosiery fabric weavers, people making linens, those things that you get your name put on.

Q. That is a very fine yarn? A. Not particularly fine.

Q. What is it? A. Well, I would not like to be too definite. I would say in the neighbourhood of [illegible].

Q. I thought it was about eighties?

A. I don't think so, sir. And we supply yarns to people weaving what they call union clothes, mixtures of cotton and wool and mixtures of cotton and mohair and many other lines of clothes.

Q. Do you supply yarns to any of your large competitors in the weaving trade, Canadian Cottons, Tabasco -- A. No, I do not remember that we have ever shipped any yarn to Canadian Cottons or Tabasco or any of the other large companies.

Q. Well, that is the Montmorency plant and the Canadian Cotton Company? A. You say that is the Montmorency plant; all those yarns I referred to

not come from there. The Poddrell and Alexander yarns are made at our Merchants mill.

Q. What is the Drummondville Cotton Company? A. It is a company engaged in the manufacture of what we term tire fabrics, but that actually includes -- that is rather a misnomer -- it actually includes all types of cord used by the rubber companies in the manufacture of tires.

Q. Down at Sherbrooke we saw them making a large heavy webve-- A. That was duck.

Q. That was for belts in the mining industry? A. That is right.

Q. Do you make that sort of thing at Drummondville? A. Not at Drummondville; that is confined to Sherbrooke.

Q. Then, in these mills in Montreal, would you just tell me quickly what the general business done in each one of the mills is? A. Well, the Colonial Bleachery, as the name implies, is a plant engaged in the bleaching or what we may term loosely the finishing of cotton goods, bringing them from a grey condition to a white form, and sometimes a slight tint, very little real dyeing. The Hochelaga mill down in the east end, out on Notre Dame Street here, is engaged in the production of grey cloth purely. In that grey cloth we find towels in the web, that is, they have not been cut up; and a certain amount of wide grey sheeting, a certain amount of what we term shoe ducks, goods which are supplied perhaps for finishing to the shoe

not come from there. The Podtrell and Alexander patents are made at our Drumbeg mill.

Q. What is the Drummondville Co. tan Company?

A. It is a company engaged in the manufacture of what we term tire fabric, but that comprehends -- that is rather a misnomer -- it actually includes all types of cord used by the rubber companies in the manufacture of tires.

Q. Does at another place we saw them making a large heavy valve-- A. That was duck.

Q. That was for belts in the mining industry?

A. That is right.

Q. Do you make that sort of thing at Drummondville? A. Not at Drummondville; that is confined to Ste-Agathe.

Q. Then, in these mills in Montreal, would you just tell me quickly what the approximate business done in each one of the mills is? A. Well, the Colonial Knitting, as the name implies, is a plant engaged in the blending or what we may term loosely the finishing of cotton yarns, bringing them from a grey condition to a white item, and then dyeing a slight tint, very little real dyeing. The Hosiery mill down in the east end, out on Notre Dame Street here, is engaged in the production of grey cloth purely. In that grey cloth we find hosiery in the raw; that is, they have not yet been dyed; and a certain amount of white yarn dyeing, a certain amount of what we term shoe duck, yarns which are supplied primarily for finishing to the shoe

manufacturers for lining of your shoes, drills, and some of them are nap goods. Some of them are used in women's shoes. Then we make what we call wide drills and moleskins for the pyroxilin coated trade for the Canadian Fabroid Company up in New Toronto who knit the goods and sell them as tops for bridge tables, and seats of motor cars and any other form you find artificial leather.

Q. What do they call that? A. The pyroxilin treatment. It gives you artificial leather, embossed and so on. That covers the Hochelaga, roughly. The Merchants Mill are making wide grey sheeting for the oilcloth trade, stuff that is used to make into oilcloth, table oilcloth, and they make quite a range of grey cloths that are shipped to Magog print works and they make also cloths that are shipped just up the street to the Colonial Bleachery, and as I mentioned before they are also engaged in making certain sale yarns.

The Mount Royal Mill, its chief output is what we call trade greys. They are narrow 36 inch to 40 inch grey cloths that are used in a great many ways by different manufacturers, by a host of people who have need of such things -- such cloths. They are also sold over the counter to some extent as general purpose cloth to women who want to cover an ironing board or use the grey cloth for some purpose.

Then, I mentioned, I think that the St. Anne's Mill is used as a general warehouse, storage of supplies and packed goods to some extent and the

manufacturers for lining of your shoes, drills, and some of them are imp goods. Some of them are used in women's shoes. They do make what do call wide drills and molesking for the pyroxylin coated items for the Dominion Fabrics Company up in New Toronto who buy the goods and sell them as tops for bridge tables, and seats of motor cars and any other form you find artificial leather.

Q. What do they call that? A. The pyroxylin coated. It gives you [illegible] leather, coloured and so on. That covers the Fabrics really. The Merchants Will are making wide drills for the oilcloth trade, meaning that is used to make into oilcloth, table oilcloth, and they make quite a range of grey cloths that are shipped to [illegible] shipped just up the street to the Colonial Fleecers and as I mentioned before they are also engaged in making certain sale yarns.

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Then, I mentioned, I think that the [illegible] Mill is used as a general warehouse, storage of supplies and packed goods to some extent and the

Verdun Mill is the general machine shop.

Q. What do they make at the Montreal Cottons?

A. The Montreal Cottons is a plant with a finishing division so they are in a position to turn out almost any type of plain dyed, or bleached cotton goods. They make -- one large portion of their output goes to the tailoring trade in various forms, linings and vest backs and all kinds of cloth that are used in making up your suit. Some of it does not show and some of it does. They also --

Q. Would that apply to your suit too?

A. It applies to everybody's suit.

Q. I was wondering whether you used imported cloth in your suits? A. It is pretty hard to tell sometimes.

Q. I strongly suspect that you do. Probably you would not mind telling me where the cloth in your suit is made? A. I could not tell you, sir; I really don't know.

Q. I venture it is not Canada, anyway? A. I have seen some cloth that probably looks a good deal better made in Canadian mills.

Q. But you are not buying it? A. I am not buying cloth in the first place; I am buying a suit.

Q. Alright, go on? A. I was speaking about the Montreal Cottons' range of production. I covered the tailoring trade. Another big part of their production goes into what we call furniture coverings and drapes. The two are pretty close

Vernon Hill in the general machine shop.

Q. Then do they make at the Commercial Customer?

A. The Commercial Customer is a plant which is a trucking division so they can in a position to take out alone any type of plain dyed, or printed cotton goods. They make -- one large portion of their output goes to the ballooning trade in various forms. Linings and vest back's and all kinds of cloth they are used in making up your suit. Some of it does not show and used to lay under. Does that --

Q. Cotton text apply to your suit too?

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A. It is worth been to tell sometimes.

Q. I strongly suspect that you do. Probably you would not mind telling me where the cloth in your suit is made? A. I could not tell you.

Q. I thought that's funny.

Q. I venture it is not Canadian, correct? A. I [illegible] Canadian. It [illegible] Canadian.

Q. But you are not buying it? A. I do not buying cloth in the final phase; I am buying a suit.

Q. Alright, so on? A. I was searching [illegible] I covered the ballooning trade. Another big part their work action goes into what we call furniture - a vehicle and drapes. The two are pretty close

together. You cannot hardly tell where one ends and the other begins in some cases. Those are wide cloths in all kinds of intricate jacquard patterns using a great variety of yarns, and, as I say, are used for covering furniture, particularly since these studio couches became so popular. Then, they are also engaged in making drapes for window curtains. We compete there with one of our customers, Poddrell & Alexander. We are also in the business of making marquisettes and nets of all kinds. We make quite a wide range of what we term washed dress goods in cottons. We have quite a big yarn business there, too, in the finer counts. I mentioned the electrical trade. The finer yarns are used by the knitters for balbriggans and so on; the finished yarns of all counts that other people who are competing with us get from us -- that is on those tapestries -- and such types of goods, what we call gimp yarns and grandrelles.

Q. You say the people that are competing with you; you mean people that are weaving similar articles to those you are weaving? A. Yes.

Q. They buy your yarns and they weave in competition with you; Yes, I see. Alright, go ahead. A. I am just about through. I do not pretend I have told you everything.

Q. We have the rayon? A. Yes, we weave rayon both from the filament yarn and the staple fibre.

Q. What do you mean by that? A. I mean there

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Q. You say the people that are competing with you mean people that are weaving similar articles to those you are weaving? A. Yes.

Q. They buy your yarns and they weave in competition with you; Yes, I see. Alright, go ahead.

A. I am just about through. I do not pretend I have told you everything.

Q. We have the rayon? A. Yes, we weave rayon both from the filament yarn and the staple fibre.

Q. What do you mean by that? A. I mean that

is to some extent -- to some extent we are in the infancy of a tendency to use rayon chopped up.

Q. Yes, I see. A. And treat it more or less like cotton.

Q. We will probably go into that some time later. We might say you are experimenting; has it got past that stage? A. We are just past the experimental stage. You never get out of that stage really in any type of manufacturing.

Q. You are cutting up the rayon fibre and spinning it like cotton? A. Yes. We do not do the cutting up. We buy it in the bale just as we would buy cotton.

Q. From Courtaulds? A. Yes, Courtaulds turn out a product of that nature which they term fibrol. That is their name for it.

Q. From whom else do you buy it? A. I think we in the past -- we have bought it from the Enka Corporation.

Q. Who are they? A. They are a large company in Holland who make such stuff and if I am correct I think we have bought from the Sase Company which is made by the Italian Snia Viscosa. Q. They are from Italy, are they? A. Yes, sir.

Q. Are you actually spinning from this rayon staple now? A. Yes, we have a department running on that.

Q. And the material you are using there in your department now is purchased from where?

A. That I would be pretty certain -- that particular

is to some extent -- to some extent we are in the
tyranny of a tariffocracy to use rayon chopped up.

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Q. Who are they? A. They are a large
company in Holland who make such stuff and if I am
correct I think we have bought from the Rose Corporation
which is made by the Italian Sola Vincona. They
are from Italy, are they? A. Yes, sir.

Q. Are you actually spinning from this rayon
staple now? A. Yes, we have a department
running at Bent.

Q. Are the material you are using there in your
department now is purchased from where?
A. That I would be pretty certain -- that particular

stuff that is being processed at the present time is fibrol from Courtaulds.

Q. From Courtaulds? A. Yes, from Courtaulds, England.

Q. Then, all of that material is imported? A. All that fibrol?

Q. Yes. A. I think so. Mr. Taylor might correct me.

Q. Some of it from Holland, some of it from Italy and some of it from England? A. As much as it has been used.

Q. Well, we will probably have to make a little closer study of that later. My friend, Mr. Beauregard, just points out I have not dealt with what is done at Magog. A. No, I do not think you asked me up to now. Magog is a two stage plant. There is what we call the grey mill, cotton mill, making grey cotton cloth to be printed or dyed or otherwise finished and right alongside it is our printing works which relies on the cotton mill for perhaps 50% of the supplies of grey cloth and gets the rest of the grey cloth from such other mills in the company as are in a position to supply it.

Q. Then, you print at Magog for other mills of the Dominion Textile Company? A. Yes, we print grey cloth that is manufactured at other mills.

Q. Do you print grey cloth that is manufactured by the Montreal Cottons? A. Yes, we have done so.

Q. Then, you also dye rayon at the Magog plant?

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fibrol from Courtaulds.

Q. From Courtaulds? A. Yes, from Courtaulds
England.

Q. Then, all of that material is imported?
A. All that fibrol.

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Q. Do you print grey cloth that is manufactured
by the Montreal Cottons? A. Yes, we have done so.

Q. Then, you also dye rayon at the Magog plant?

A. Yes, dye and print.

Q. Dye and print rayon cloth? A. Yes.

Q. For both Sherbrooke and Montreal Cottons?

A. Sherbrooke -- all of the Sherbrooke stuff goes to Magog. The Montreal Cottons finish by far the greater part of their rayon production.

Q. They both dye and print at Montreal Cottons?

A. No, they only dye.

Q. They do not turn out printed goods at all in rayon? A. Oh yes, at Magog, sir.

Q. No, at Montreal Cottons? A. No, only goods in the form of what we term flock print.

Q. What is that? A. It is a printed effect, or it is an effect obtained by applying very finely ground up flock, which is practically dust. They use old piano felts and grind them up. You apply this on to cloth on which there has been imposed specks of shellac, to the white stuff or coloured, if you like and it gives the effect of a little dot. You are limited in your design to dots, simple effects. We term that flock print.

Q. We take it that all the output of Montreal Cottons in the rayon materials is confined to plain, dyed goods or these flock prints? A. No, there is a certain amount of stuff sold in the white.

Q. Yes, other than what is sold in the white. I just want to be clear? A. I am trying to help you. So far as the Montreal Cottons are concerned, yes.

Q. There is none of the output of Montreal

A. Yes, dye and print.

Q. Dye and print upon cloth? A. Yes.

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Q. They both dye and print at Montreal Cottons?

A. No, they only dye.

Q. They do not turn out printed goods at all in Montreal? A. Oh yes, at Magog, sir.

Q. No, at Montreal Cottons? A. No, no printed goods in the form of what we term flock print.

Q. What is that? A. It is a printed effect or it is an effect obtained by applying very finely ground up flock, which is practically dust. They use old piano felts and grind them up. You apply on to cloth on which there has been imposed specific of shellac, to the white stuff or coloured, if you like and it gives the effect of a little dot. You are limited in your design to dots, simple effects. We term that flock print.

Q. We take it that all the output of Montreal Cottons in the rayon materials is confined to plain dyed goods or these flock printer? A. No, there is a certain amount of stuff sold in the white.

Q. Yes. Only then what is sold in the white. I just want to be clear? A. I am trying to help you. So far as the Montreal Cottons are concerned, yes.

Q. There is none of the output of Montreal

Cottons sent to Magog for printing? A. Yes, there is.

Q. For printing? A. For printing or perhaps for dyeing.

Q. Then, I misunderstood you. A. I said they finished the greater part, by far the greater part of their production, but if there is a demand for a certain type of cloth of which the basic grey construction is one that is being made at Valleyfield, and the demand is in the form of finished goods that Valleyfield are not in a position to finish the grey goods would be sent to Magog and sold to the Dominion Textile Company.

Q. Sent there and sold? A. Well, it depends who the sale is made by.

Q. I was just wondering how the transaction is handled, because, you see, the Montreal Cottons is one corporation? A. That is right.

Q. In which the Dominion Textile holds slightly over 50% of the stock? A. Common stock.

Q. Of the common stock, and other people hold the preferred stock, so that they are quite distinct corporate entities? A. Other people hold the common stock, too.

Q. Yes, quite right. I am pointing that out. And how do you handle the output of the Montreal Cottons that goes to Magog? A. Well, it would depend, Mr. McRuer, on who made the sale. If the sale is credited to Montreal Cottons the grey goods would be shipped to Magog and processed there, the

Cottons sent to Hogg for printing? A. Yes
there is.

Q. For printing? A. For printing or perh
for dyeing.

Q. Then, I misunderstood you. A. I said
they finished the greater part, by far the greater
of their production, but if there is a demand for a
certain type of cloth of which the basic grey con-
struction is one that is being made at Valleyfield,
and the demand is in the form of finished goods the
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over 50% of the stock? A. Common stock.

A. Of the common stock, and other people hold
the preferred stock, so that they are quite distinc
corporate entities? A. Other people hold th
common stock, yes.

Q. Yes, quite right. I am pointing that out,
and how do you handle the output of the Montreal
Cotton that goes to Hogg? A. Well, it
depend, Mr. Mohler, on who made the sale. If the
sale is credited to Montreal Cotton the grey goods
would be shipped to Hogg and processed there, the

processing charged to the Montreal Cottons' account and the goods would be perhaps re-invoiced to Montreal Cottons' account from Magog.

Q. That is, you would pay the Magog mill a certain amount for processing? A. Yes. If, on the other hand, the sale was made by the Dominion Textile Company in their own name it would be more likely, or it would be in that case certain, that the Dominion Textile would buy the grey cloth from Montreal Cottons.

Q. I see, and have it sent to Magog to be printed? A. And do their own printing at Magog.

Q. Now, can you tell me as to whether Magog was handling -- the print works at Magog were handling any other rayon in January of this year other than the rayon produced at the Sherbrooke plant?
A. I think very likely yes. I would say they had grey cloth on hand from Montreal Cottons.

Q. Grey cloth on hand? A. And it is very likely they were processing some of it.

Q. I do not just like to leave it at "very likely"; you can probably determine that?
A. I could definitely. You say in the month of January. I think the chances are about ten to one they were processing some of that.

Q. And we have, I think, samples of the rayon that was produced at Sherbrooke at that time?
A. Yes, you seen some of them.

Q. And have you samples of the rayon that was

proceeding charged to the Montreal Cotton's account and the goods would be going on re-invoiced to Montreal Cotton's national Trade Mark.

Q. What is, you would pay the Rayon mill a certain amount for processing? A. Yes. On the other hand, the sale was made by the Dominion Textile Company in their own name it would be more likely, or it would be in that case certain, that the Dominion Textile would buy the grey cloth from Montreal Cotton.

Q. I see, and have it sent to Magog to be printed? A. And do their own printing and dyeing.

Q. Now, can you tell me as to exactly Magog was handling -- the print works at Magog were busy any other rayon in January of this year other than the rayon produced at the Sherbrooke plant?

A. I think very likely yes. I would say they had grey cloth on hand from Montreal Cotton.

Q. Grey cloth on hand? A. And it is very likely they were processing some of it.

Q. I do not just like to leave it at "very likely"; you can probably determine that?

A. I could definitely. You say in the month of January. I think the chances are about too to say they were processing some of it.

Q. And we have, I think, samples of the rayon that was produced at Sherbrooke at that time?

A. Yes, you seen some of them.

Q. And have you samples of the rayon that was

produced at the Montreal Cottons Company, marketed by the Montreal Cottons during January?

A. I don't know whether you had them yet or not, but we were preparing a whole set of those samples. Did you get that, Mr. Hooper, yet?

Q. Well, I had a set of samples that was attached with costs? A. No, I am referring to a very wide range, a complete range of samples that we were asked, I think by you, about a week ago, to prepare. We got the word from Three Rivers.

Q. Yes, but there was a certain set of samples that was handed to me by Mr. Heward at Sherbrooke attached to some statements in regard to costs. Those were, I would take it, all from Montreal Cottons?

A. Why would you take that? Perhaps I am not allowed to ask you a question.

Q. Yes, for the very reason that we have the samples from Sherbrooke and none of them are on this file? A. May I see the file a minute?

Q. Unless -- oh, it is Mr. Lanctot that handed it to me, but I notice that the heading is Montreal Cottons so I think that they eminated from you, probably, in the first place. A. Well, I will look at them.

Q. I won't blame Mr. Heward for them, but I got in under the sticker here and I find Montreal Cottons in here. A. Do you want me to look through this and tell you?

Q. Yes, just look through them and tell me what they are? A. There appear to be two

produced at the Montreal Cotton Company, marketed by the Montreal Cottons during January?

A. I don't know whether you had them yet or not, but we were preparing a whole set of those samples.

Did you get that, Mr. Hooper, yet?

Q. Well, I had a set of samples that was sent with coarse? A. No, I am referring to a wide range, a complete range of samples that we asked, I think by you, about a week ago, to prepare. We got the word from Three Rivers.

Q. Yes, but there was a certain set of samples that was handed to me by Mr. Howard at Sherbrooke attached to some statements in regard to costs.

[illegible]

A. Why would you take that? Perhaps I am not at to ask you a question.

Q. Yes, for the very reason that we have the samples from Sherbrooke and none of them are on file? A. Why I see the file a mix[illegible]

Q. Unless -- oh, it is Mr. Lamotte that handed it to me, but I notice that the heading is Montreal Cottons so I think that they emanated from you, probably, in the first place. A. Well, I will look at them.

Q. I won't blame Mr. Howard for them, but I [illegible] in under the stocker here and I find Montreal Cott[illegible] in here. A. Do you want me to look th[illegible] this and tell you?

Q. Yes, just look through them and tell me w[illegible] they are? A. There appear to be tw[illegible]

sets here, Mr. McRuer. Which do you want me to deal with?

Q. We will take the ones at the top. I will take them off. The ones I show you are Montreal Cottons, are they? A. Yes, as far as I went down there those I recognized as Montreal Cottons.

Q. And did you not prepare this, with the statement of costs and everything, for the Textile Institute or somebody on their behalf? Did you prepare them? A. Those particular figures that I am looking at were prepared in the first place for Mr. Hooper in January at a time when he was still attached to the department, and was interested in the costs of production of rayon goods in Canada, and they were prepared at that time for his information.

Q. By you? A. Well,--

Q. Under your instructions? A. I saw the figures after they were prepared and I have gone over them with Mr. Hooper, in fact.

Q. At any rate, this eminated from the Montreal Cottons through the Dominion Textile? A. Yes.

Q. And they contain statements which are said to be your costs in regard to these fabrics that are attached? A. They are our costs as far as any costs are definite.

Q. Then, I will have this filed, my lord, and I think it should be on the same understanding -- A. May I see just this section? There is one point here you should catch, if this has not been corrected. As we notified you, or as was mentioned this morning,

coats here, Mr. Hooper. Which do you want me to d
with?

Q. We will take the ones at the top. I will
take them off. The ones I show you are Montreal
Costume, are they? A. Yes, as far as I
5 went down there those I recognized as Montreal Cost
Q. And did you not prepare this, with the ex
of coats and everything, for the Textile Institute
somebody on their behalf? Did you prepare them?
A. These particular figures that I am looking at we
10 prepared in the first place for Mr. Hooper in Jann
at a time when he was still attached to the depart-
ment, and was interested in the costs of production
of rayon goods in Canada, and they were prepared at
that time for his information.
15 Q. By you? A. Well,--
Q. Under your instructions? A. I gave th
figures after they were prepared and I have gone o
them with Mr. Hooper, in fact.
20 Q. At any rate, this emanated from the Montreal
Costume through the Textile Institute? A. Yes.
Q. And they generic statements which are ge
to be your costs in regard to these factors that a
attached? A. They are our costs as far
25 any costs are defined to.
Q. Then, I will move this filed, my Lord, and
I think it should be on the same understanding --
A. May I see just this moment? There is one fac
here you should notice, if this has not been correct
30 As we notified you, or as was mentioned this morni

Mr. Hooper in going through these figures, which he had had for some time, pointed out an apparent discrepancy between grey and finished weights in relation to the figure of shrinkage.

Q. We will go into that. A. You know about that?

Q. Yes. A. These figures should be corrected to that extent; it makes a small difference.

Q. At any rate, I just want to put on the record that these are filed as an exhibit, but are to be treated as confidential to the Commission --

THE COMMISSIONER: For the time being, at least.

MR. McRUER: For the time being, until that matter is dealt with by your lordship. The coats at Three Rivers were filed in that way and we will file these in the same way.

THE COMMISSIONER: It is samples?

MR. McRUER: Yes. There are six rayon samples with --

THE WITNESS: This heading is not right, if you want to be correct. This reads "samples and coats of Canadian, 27 inch plain rayon taffeta. I don't know whether it was ever intended to be included with all of this.

BY MR. McRUER: Q. We will take that off. The heading is not necessary. If it is in any way confusing we will just take it off.

THE COMMISSIONER: Samples of rayon; any particular product?

MR. McRUER: Six samples of rayon cloth manufactured

Mr. Roper is going through those figures. Below
had had for some time, pointed out an apparent di
overpaying between grey and finished weights in rel
to the figure of shrinkage.

Q. We will go into that. A. You know a
that?

Q. Yes. A. These figures should be
corrected to that extent; it makes a small differe
at any rate. I just want to put on the re
that the no are filed as an exhibit, but are to be
treated as confidential to the Commission --

THE COMMISSIONER: For the time being, at least.

Mr. Morrow: For the time being, until that
is dealt with by your Lordship. The books at
these mills were filed in that way and we will fil
these in the same way.

THE COMMISSIONER: It is Longman.

MR. MORROW: Yes. There are six rayon samples
with --

THE COMMISSIONER: This heading is not right. If you
want to be correct. This heading "samples put over to
Commission, at least which rayon samples." I don't
know whether it was ever intended to be included wi
all of this.

BY Mr. Morrow: Q. We will take that out. The
heading is not necessary. If it is in any way
confusing we will just take it out.

THE COMMISSIONER: Samples of rayon; any particular
product?

Mr. Morrow: Six samples of rayon cloth manufactured

by the Montreal Cottons, Limited.

MR. HEWARD: What is the number?

SECRETARY WHITELY: 146.

EXHIBIT NO. 146: Six samples of rayon cloth manufactured by Montreal Cottons, Ltd.

MR. BALLANTYNE: Did you want to correct that thing that Mr. Hooper filed. I have some spare sheets, if these are the ones you are referring to, RT 58 - 27 --

MR. McRUER: Let me have them, and I will just examine Mr. Gordon on that.

MR. BALLANTYNE: Because there was a slight difference. There are changes all the way through, Mr. McRuer.

MR. McRUER: You have only got two sheets and I have got six.

MR. BALLANTYNE: Which one is it that is wrong?

THE WITNESS: I can straighten you out.

BY MR. McRUER: Q. On the sample that is attached for the rayon alpaca, white, there appears to be a statement in regard to the construction, 9.10 yards per pound and then 9.88 yards finished That indicates, does it not, Mr. Gordon, that in the finishing of this article it has stretched? A. Well, it indicates loss of weight by the linear yard for some reason or other. One reason would be stretching, or might be stretching.

Q. As a matter of fact, it is stretch, isn't it? A. In this particular case, yes; that is one of the

by the Montreal Cotton, Limited.

MR. GORDON: What is the number?

MONTREAL COTTON, LTD.

EXHIBIT NO. 3:

Six samples of t
cloth manufactur
Montreal Cotton

MR. FRIEDMAN: Did you want to correct that
thing that Mr. Hooper this. I have some sure
sheets, if these are the ones you are referring to
MR MA - MY --

MR. GORDON: Let me have them, and I will just
examine Mr. Gordon on that.

MR. FRIEDMAN: Because there was a slight
difference. There are changes all the way through
Mr. Gordon.

MR. GORDON: You have only got two sheets and
have got six.

MR. FRIEDMAN: Which one is it that is wrong

THE WITNESS: I can straighten you out.

BY MR. GORDON: Q. On the sample that is sta
for the rayon sizes, white, there appears to be
statement is remed to the construction, 2.10 yar
for round and then 4.05 yards finished. That i
does it not, Mr. Gordon, that is the finishing o
article it has attached? A. Well, it
indicates loss of weight by the linear yard for s
reason or other. One reason would be stretchin
might be stretching.

Q. As a matter of fact, it is shrinkage, isn't
A. In this particular case, yes; that is one of t

factors, but that does not account for the whole loss of weight by any means.

Q. At any rate, there are more yards per pound when it is finished. Then you have an item, "cost per yard with shrinkage, 2¼"; I think you see that should be corrected in view of that statement?

A. I say this, thinking over your last question, you think that the yards per pound are to be taken literally. If they are 9.68 they must be longer than when they are 9.10?

Q. Yes. A. You think the cloth must be longer physically?

Q. Yes. A. That isn't true by any means.

Q. Was this stretched? A. Yes, but you might lose weight. It disappears; it goes out in size and things like that so that the actual goods that were 9.10 in the grey and perhaps finished 9.25 might be actually shorter.

Q. It might be, but it isn't. A. It isn't in this particular case. There is a stretch there of 2%.

Q. Then, in there is 2% shrinkage? A. That is right.

Q. I was wondering in your cost system, in making up your costs to be given to Mr. Hooper, how that could come about with any system installed by the most eminent cost expert in the United States, that you could get a deduction for shrinkage when it should be an addition for stretch? A. I don't like your reference to Mr. Loper. He has nothing to do with

factors, but that does not account for the whole of weight by any means.

Q. At any rate, there are more yards per pound when it is finished. When you have an item, [illegible] ; I think you see it [illegible] be corrected in view of that statement?

A. I say this, thinking over your last question, I think that the yards per pound are to be taken literally. If they are 9.66 they must be longer than 9.10?

Q. Yes.

A. You think the cloth must be longer physically?

Q. Yes.

A. That isn't true by any means.

Q. Has this stretched?

A. Yes, but you might lose weight. It disappears; it goes out in size and things like that so that the actual goods that were 9.10 in the grey and pulling or finished 9.66 might be actually shorter.

Q. It might be, but it isn't.

A. It isn't in this particular case. There is a stretch there of 2%.

Q. Then, if there is 2% stretch?

A. You're right.

Q. I was wondering if your cost system, in making up your costs to be given to Mr. Hooper, then that could come about with our system installed by the most eminent cost expert in the United States, that you could get a deduction for shrinkage when it should be [illegible] ?

A. I don't [illegible]

[illegible]

the stretch or shrinking of that fabric. His cost methods have nothing to do with our finishing costs.

Q. You mean the cost you make up are not in conformity with Mr. Loper's method? A. I mean the costs we make up are in conformity with Mr. Loper's method so far as we have applied his methods to our mills. His methods do not apply --

Q. That is quite a qualification.

MR. GEOFFRION: Let him finish.

THE WITNESS: Insofar as we apply his methods to our mills. We only apply his methods to our mills in the grey mills because that is where his experience lies.

BY MR. McRUER: Q. Then, you will agree with me that is quite a qualification. I understood from Mr. Loper yesterday that his methods were being used throughout 80% of the textile industry and particularly your mills? A. That is quite true.

Q. But you only apply it to a certain degree; are we right on that? A. No. We apply it 100% to the grey mills of the company, and that is what Mr. Loper is an expert on, and where he comes into the picture.

Q. 100% to the grey goods produced in the mills? A. Yes.

Q. But what proportion do grey goods make of your output? A. They all start as grey goods.

Q. I know, but in the total value of the output of the mills what proportion is grey goods?

the erosion or shrinking of that textile. Mr. [illegible] methods have nothing to do with our finishing [illegible]

Q. You mean the work you make up are not in [illegible] with Mr. Doerr's method?

A. [illegible] we make up are in consistency with Mr. [illegible] method so far as we have applied his methods to our mills. His methods do not apply --

Q. That is quite a qualification.

Mr. COURTNEY: Let him finish.

THE WITNESS: Inasmuch as we apply his methods to our mills. We only apply his methods to one mills in the grey mills because that is where his [illegible] /Line.

BY MR. [illegible]:

Q. That is quite a qualification. I understood from Mr. Doerr [illegible] that his methods were being [illegible] throughout 90% of the textile industry [illegible] /for sizing?

A. That is quite true.

Q. But you only apply it in certain [illegible] on [illegible]

Q. Do you [illegible] to the grey mills of the country, and that is what Mr. Doerr is on except on, and where he comes into [illegible].

Q. Look to the grey goods produced in the mill?

A. Yes.

Q. But what [illegible] of your goods [illegible] [illegible]

A. [illegible] it [illegible] [illegible].

Q. I know. But in the final [illegible] of the output of the mills [illegible]

A. In dollars?

Q. Yes, well, you take the different values --

A. It makes quite a difference. Do you want a percentage figure?

Q. I would like to have the percentage or something so we can get some idea of where we begin with Mr. Loper's method of costing and where we stop, and where some other method is employed?

A. Yes. All grey goods -- as I say, all goods which are ultimately finished start as grey goods, go through that stage of the process. About 40% of our grey goods production as such goes on to the finished process. Those are the goods that go on to either Magog or the Colonial Bleachery.

Q. Then, about 60% of your grey goods are sold as grey goods and about 40% are processed by yourselves; is that correct? A. Yes, that is; I would not want to be exact.

Q. Then, are we correct in saying that Mr. Loper's methods of costing are applied only to the grey goods process? A. Yes.

Q. That is correct? A. Yes.

Q. Then, where do you get your method of costing applied to the other processes in your mills?

A. We have our complete cost records and our cost finding methods; they are from our own experience over a good many years.

Q. Why didn't you engage Mr. Loper to set up a method of costing for the other processes?

A. Because we felt that we were competent to do it

Q. Yes, well, you take the different values
A. It makes quite a difference. Do you want a
certain figure?

Q. I would like to have the percentage or w
thing so we can get some idea of where we begin w
Mr. Lopez's method of costing and where we stop,
and where some other method is employed?

A. Yes. All grey goods -- as I say, all goods
are ultimately finished when we get grey goods, so
through that stage of the process. About 40% of
our grey goods production go on to the
finishing process. Those are the goods that go on
to other Units of the Colonial Knitting.

Q. Then, about 60% of your grey goods are sol
as grey goods and about 40% are processed by your-
selves; is that correct? A. Yes, that is
I would not want to be exact.

Q. Then, are we correct in saying that Mr. Lo
methods of costing are applied only to the grey goo
processes? A. Yes.

Q. That is correct? A. Yes.

Q. Then, where do you get your method of costi
applied to the other processes in your mills?
A. We have our complete cost records and our cost
[illegible]

Q. Why didn't you suggest Mr. Lopez to set up
a method of costing for the other processes?
A. Because we felt that we were competent to do it

ourselves and because from my personal opinion his experience has lain chiefly in the grey field. On the other hand he would be very glad to come in probably and instal further cost system in what we term the converted plants, if we saw fit to bring him in.

(page 1975 follows)

Q. You have no doubt that Mr. Loper is recognized as a cost specialist in other lines than grey goods? A. I understand that he has some standing. I know that his best experience lies in grey goods.

Q. You are not qualifying his standing in other lines, are you? A. I would not attempt to do so. I think it would be presumptuous on my part to do so.

Q. Well, how did you come to get him to come in to do costings on the grey goods? A. Well, I think Mr. Loper said that was in 1930.

Q. Probably you do not know? A. I do not know. I started in the textile in 1923.

Q. Well, as he done any work for the Dominion Textile since you became Managing Director? A. Since 1933 in other words?

Q. Yes? A. He has.

Q. What work has he done for you since you became Managing Director? A. He did the work that he referred to yesterday afternoon in connection with the preparation of data for the Tariff Board here last December.

Q. We will have more about that latermbut I mean in reference to just finding your own costs as you go along to know what it is costing you and you are getting along - Have you ever used him on that? A. I think we have consulted him on particular problems. We have not called him in to make a general revision of our costs system because

Q. You have no doubt that Mr. Loper is recognized as a great specialist in other lines that very good? A. I understand that he has some standing. I know that his best experience lies in very good.

Q. You are not qualifying his standing in other lines, are you? A. I would not attempt to do so. I think it would be presumptuous on my part to do so.

Q. Well, how did you come to get him to come in to do something on the very good? A. [illegible] Q. Loper said that was in 1933.

Q. Probably you do not know? A. I do not know. I started in the textile in 1934.

Q. Well, so he done any work for the [illegible] textile since you became working director? A. [illegible] LOPER in other work.

Q. Yes? A. He has.

Q. Has work has he done for you since you become managing director? A. He did the work that he referred to yesterday afternoon in connection with the preparation of data for the Royal Commission last December.

Q. We will have more about that in a minute. I mean in reference to just finding your own [illegible] you are getting along - Have you ever used him on that? A. I think we have consulted him on [illegible].

we keep that up to date in any case, but I would say this probably that we have discussed perhaps more or less informally certain particular problems with him.

Q. Well, are we able to take this - that insofar as Mr. Loper gave any evidence yesterday as to your costs his evidence was entirely confined to some record that you had shown him of what the costs were and not to anything that he had investigated himself to find out what the costs were. A. Well, no, I would not say that because Mr. Loper knows that we are basically following his system.

Q. Well, basically, but we only bring it up to the grey goods and after there we are wandering around. A. No, you are not wandering.

Q. Well, probably not wandering but I expect I will be lost anyway the way I am wandering around. A. The example that Mr. Loper gave you yesterday when he referred to the difference in cost level was, as you remember, on a print cloth and probably I am afraid that you may have misinterpreted that. A print cloth in the trade is a cloth used for printing - in other words, a grey cloth.

Q. Well, on his evidence yesterday was it on a grey cloth or on a printed cloth because I was calling lustily for a sample of the cloth so that I could have a look at it. A. It looks just like any other grey cloth.

Q. No, I do not think they altogether look alike. Could you supply me with a piece of the actual

we keep that up to date in any case, but I would say this generally that we have measures [illegible] on the Land Investment portion particular problems with him.

Q. Well, are we able to take this - that letter as Mr. Loper gave any evidence yesterday or by your court his evidence was mainly confined to some record that you had shown him of what the results were and not to anything that he had investigated himself to find out the truth. A. No, I would not say that because Mr. Loper knew [illegible] his system.

Q. Well, basically, but we only bring it up the grey goods and after there we are wandering around. A. No, you are not wandering.

Q. Well, probably not wandering but I expect I will be lost anyway the way I am wandering around.

A. The example that Mr. Loper gave you yesterday when he referred to the difference in cost level was, as you remember, on a print cloth and probably I am afraid that you may have misinterpreted that. A print cloth in the trade is a cloth used for printing - in other words, a grey cloth.

Q. Well, on his evidence yesterday was it on a grey cloth or on a printed cloth because I was calling lustily for a sample of the cloth so that I could have a look at it. A. It looks just like any other grey cloth.

Q. No, I do not think they altogether look alike. Could you supply me with a piece of the same

cloth that his evidence was based on? A. Yes.

Q. You can? A. Yes.

Q. Well, we will get that. A. When I am saying now it was a grey cloth that he was referring to.

Q. You can realize when we are talking about a piece of cloth it is much better to have the piece of cloth to look at other than talking of the specifications of it. At any rate, I have wandered from this 2% shrinkage. Now, there is a direction you want to make on this and we better have it now, Mr. Ballantyne.

MR. BALLANTYNE: No, I think mine is in the wrong form.

THE WITNESS: Correct sheets were given to Mr. McRuer, were they not?

MR. McRUER: They are the same as Mr. Ballantyne's.

MR. BALLANTYNE: Are these the same sheets?

THE WITNESS: Let me see it. Those are the corrected sheets.

MR. McRUER: Q. Let us see so that we will know where we are at. You are now furnishing me with a sheet which is headed "itemized cost of Canadian rayon cloths, R.T. 5857". Now, that does not deal with our first sheet we were looking at, 58-29". Those are dyed dark shades, yours is white. Let us have the dyed dark shades? A. These were made out at entirely different times. This was made out for Mr. Loper under quite a bit of pressure at that time. I think he was in some hurry for it. January 24th. was the date and, of course, this was made

out fairly recently. They are entirely different form.

MR. McRUER: I think I will file them as the following exhibit so that we will keep the two together, and then we may discuss them later on. They look very different to me and I am not going into this question of cost - - -

THE WITNESS: They are the same cloth exactly.

Q. Yes, but one of them arrives at a total cost of .1759 cents per yard and the other arrives at a total cost of .1626 cents per yard. A. After taking off these items.

Q. After taking off interest, dividends and Income Tax? A. That is comparable figure up there, sale value in each case.

Q. One is .1706 cents per yard, that is sale value - -

THE COMMISSIONER: Q. That is cents not dollars? A. It is 17.06 cents. It is expressed as a decimal of a dollar. Just over 17 cents, less than 17-1/8.

MR. McRUER: Q. And the other is 17.59? A. In other words, 17-5/8 practically. Now, you understand that that is the corrected sheet. If you want to get your old sheet out I think you will find that the difference between this and the old sheet brings you up to this figure here.

MR. McRUER: All I want to do at the present time is to file these two sheets as the next exhibit, and we may call them "Corrected Costs".

Jordan.

out fairly recently. They are actually different
items.

5 Mr. Moodie: I think I will file them as the
Commission actually so that we all know the exact
and then we may discuss them later on. They look
very different to me and I am not going into this
question of cost - - -

10 Mr. Jordan: They use the same clerk around.

. Yes, but one of them arrives at a total
cost of .1726 cords per year and the other arrives at
a total cost of .4205 cords per year.

. After taking all things, disregarding
the income tax?

. That is comparable figure
as stands, only value in each case.

. One is .1726 cords per year, that is cash
value - -

Mr. Commissioner: . That is costs not
cash?

. It is 17.05 cents. It is approximately
a quarter of a dollar. Just over 1 cents.
less than 17-1/2.

Mr. Moodie: . The other is 17.205

. In other words, 17-1/2 precisely. Not
you understand that that is by [illegible]
[illegible] find that's the difference between this and the
[illegible] between [illegible]

Mr. Jordan: All I [illegible]

30 [illegible] "[illegible]".

THE COMMISSIONER: It is total -

MR. McRUER: Total of corrected costs.

THE COMMISSIONER: That will be Exhibit 147.

EXHIBIT 147. Two sheets of "Corrected Costs".

Adjourned at 12.30 P.M. to 2.00 P.M.

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AFTERNOON SESSION

-- On resuming at 2 P.M.

--

GEORGE BLAIR GORDON, Examination

BY MR. McRUER (resumed):

BY MR. McRUER: Q. I do not suppose, Mr. Gordon, you know anything about the details of the costing of these articles that we have in this Exhibit No. 146, and Exhibit 147? A. Is that the one we put in just before the luncheon recess?

Q. Yes? A. I would like to look at that again, if I may. There is a point that occurred to me during the lunch interval. We made a correction in two of these, I think, after Mr. Hooper had pointed out, and I drew that to your attention before lunch? Q. Yes? A. Now, whether the finish of these cloths is the same as the two particular ones that we have already corrected, the figures here should be subjected to a corresponding correction.

Q. I see? A. Is that understood?

Q. Well, of course, we probably ought to have them all corrected, to be put in the shape that you say they ought to be? A. Yes, they should be.

Q. If there are similar sheets to be added to those sheets in 147? A. No, that is not quite the point. Those are the only two similar sheets.

Q. Yes; one deals with 56-27 inch, and the other 75-27 inch? A. That is right, yes.

AFTERNOON SESSION

-- (On resuming at 2.0).

DIRECT EXAMINATION - Continued

DR. M. MORGAN (Resumed):

DR. M. MORGAN: Q. I do not suppose, Mr. Gordon, you know anything about the details of the costing of those articles that we have in this Exhibit No. 1.4 and Exhibit 1477? A. Is that the one we put in just before the luncheon recess?

Q. Yes? A. I would like to look at that again, if I may. Taken in a point that happened during the costing the lunch interval. We made a correction in two of these, I think, after Mr. Hooper had pointed out, and I drew that to your attention before lunch.

Q. Yes? A. Now, whether the finish of these clothes is the same as the two particular ones that we have already corrected, the figures here should be subjected to a corresponding correction.

Q. I see? A. Is that understood?

Q. Well, of course, we probably ought to have them all corrected, to be put in the shape that you say they ought to be? A. Yes, they should be.

Q. If there are similar amounts to be added to those amounts in 1477? A. No, that is not quite the point. Those are the only two similar amounts.

Q. Yes, one deals with Mr-O'Leary, and the other? A. That is right, yes.

Q. All right? A. Now, as you will see, if you take it here, that is RT 58-27 inches, rayon lining, dyed dark shades. Now, that is this pile.

Q. That appears in Exhibit 146 under the heading of RT-58-29 inches rayon dark shades. Then we are two inches out? A. Well, that 29 inches was there; the average width is from one point to another, and it is not absolutely a definite figure.

Q. You say, that is grey construction? A. Yes, but that identifies it as the same fabric; the fabric diminishes from 29-1/2 to 27-1/2.

Q. But is it the cost of the grey construction, or the cost of the dyed article in dark shades? A. It is the cost of the complete cloth.

Q. The cost of the complete cloth? A. Yes, that is in its finished condition.

Q. The cost of the cloth in the grey enters into the complete cost. Well now, have you got a breakdown of these costs that shows how they were arrived at. For instance, you have a heading, in 147, "Raw material". Have you got a breakdown of that? A. Yes. The figures can be substantiated by a careful reference to the proper sources, Mr. McRuer.

Q. Yes, but have you got a breakdown of how the figure that is shown in 147 of RT 57-27 is arrived at, for raw material? A. Well, I have it in my head, to some extent.

Q. Well, I am afraid I would not want to take

Q. All right? A. Now, as you will see, if you take it here, that is RT 36-27 inches, rayon lining, dyed dark shades. Now, that is this file.

Q. They appear in exhibit 144 under the heading of RT-36-29 inches rayon dark shades. Then we are two inches out? A. Well, that 29 inches was there; the average width is from one point to another and it is not absolutely a definite figure.

Q. You say, that is grey constructions? A. Yes, but that identifies it as the same fabric; the fabric [illegible]

Q. But is it the cost of the grey constructions or the cost of the dyed article in dark shades?

A. It is the cost of the complete cloth.

Q. The cost of the complete cloth? A. Yes, that is in its finished condition.

Q. The cost of the cloth in the grey enters into the complete cost. Well now, have you got a breakdown of these costs that shows how they were arrived at. For instance, you have a heading, in 147, "Raw material". Have you got a breakdown of that?

A. Yes. The figures can be substantiated by a certain reference to the proper sources, Mr. Mahner.

Q. The, and here you get a breakdown of that the figure that is shown in 147 of RT 37-27 is arrived at for raw material? A. Well, I have it in my head, to some extent.

Q. Well, I am afraid I would not want to take

your head for the breakdown of all these costs.

A. That information could be given to you in any kind of detail that you want, Mr. McRuer.

Q. I see. For instance, "Labour," the breakdown of that? A. Yes.

Q. You could give us that? A. Yes.

Q. And mill expenses? A. Yes, anything going into it.

Q. I see, that your dyes and chemicals come to about 2 cents a yard on that? A. In the dark shades?

Q. Yes? A. Yes. Is that clear about the correction point that I was trying to make?

Q. What I would suggest is, that insofar as this has to be corrected you have additional sheets prepared and we will have them put in, because you see this gets pretty confusing if that is not done.

A. What is the Exhibit number?

Q. Exhibit 146. Exhibit 147 contains certain corrections. What I would like to have, is a complete exhibit showing it corrected as you say it ought to be. A. The correction is really of very slight importance in the actual figure ?

Q. Well, that may be, but we want to try and get them as nearly accurate as we can? A. Yes.

Q. Now, Mr. Gordon, when the change was made pursuant to the treaty with the United States, of course, you interested yourself on the effect that it was going to have on your business?

your bond for the production of all those costs.

Q. Just information could be given to you in any d
of detail that you want, Mr. Cohen.

Q. I see. For instance, "Labour,"
the breakdown of that? A. Yes.

Q. Can could give us that? A. Yes.

Q. And will expensive? A. Yes, anything
that is.

Q. I see, that your dyes and chemicals come to
about 2 cents a yard on that? A. In the dark
Q. Very A. Yes. Is that clear about the
conversion point that I was trying to make?

Q. What I would suggest is, that instead of
this has to be considered you have additional sheets
prepared and we will give them put in, because you s
this gives pretty convincing if that is not done.

A. What is the exhibit number?

Q. MARKED 1-D. MARKED AS exhibits ---
corrections. What I would like to have, is a
complete exhibit showing it converted in you say it
ought to be. A. The correction is really of
very slight importance in the actual figure ?
-- oil, that may be, but we want to try and get them
as nearly accurate as we can? A. Yes.

Q. Now, Mr. Norton, when the change was made
pursuant to the treaty with the United States, of
course, you interested yourself on the effect that
it was going to have on your business?

A. From the American angle in particular?

A. Well, from any angle? A. When the change was made. You mean when Mr. Wrong's letter to Mr. Hull became more or less public property?

Q. Yes? A. Around the middle of November. Yes, I think we tried.

Q. And when the Treaty became effective with the United States, of course, the fixed valuation on rayon for favoured nations was abolished? A. Yes. It was signified, I think, in Mr. Wrong's letter that certain fixed valuations would be abolished. That particular Order in Council, or bulletin, of course, was not specified at that time. That was specified later, on December 26th.

Q. December 26th, 1935? A. Yes, or it may have been the 28th. I know it was almost at the end of December.

Q. Yes. Are you in a position to say what rayons your mills were manufacturing at that time?

A. At which particular time, sir?

Q. Well, in the end of December, 1935. We have the Sherbrooke mill; we have actual samples? A. Yes.

Q. And we have a statement? A. I think I am in a position to give you an intelligent answer on that.

Q. What rayons were your mills manufacturing in December? A. They were manufacturing a range at Magog of printed and dyed all-rayon, and rayon and cotton goods.

A. From the American angle in particular?

Q. Well, from any angle? A. When the amalgamation was made. You read when Mr. Young's letter to Mr. [illegible] became more or less public property?

Q. Yes? A. Around the middle of November. [illegible] I think so then.

Q. And when the Ladoy -[illegible] effective with the United States, of course, the fixed valuation [illegible] upon the favoured nations was abolished? A. Yes. It was simplified, I think, in Mr. Young's letter that certain fixed valuations would be abolished. The particular clause in Council or bulletin, of course, was not specified at that time. That was [illegible] later, on December 20th.

Q. December 20th, 1902? A. Yes, or it may have been the 19th. I know it was almost at the end of December.

Q. Yes. Are you in a position to say what [illegible] your mills were manufacturing at that time?

A. Of coke [illegible] for [illegible], etc.

Q. Well, in the end of December, 1902, we have the Montrose mill; we have actual employ? A. Yes.

Q. And we have a statement? A. I think I am in a position to give you an intelligent answer on that.

Q. What figures were your mills manufacturing in December? A. The most manufactured [illegible] of plates and bye products, and [illegible] and coke ovens.

Q. Yes, but can you give me the samples that they were manufacturing at that time? A. Yes, you have had some of them.

Q. Well, may I take it that these that were furnished formed part of this brief, and are representative of the samples? A. Those that you have in the brief are the lines which we were actually engaged in producing in the grey in substantial volume, in December.

Q. Yes? A. We had, off-hand, at Megog Print Works quantities of older lines still in the grey that had never been put through. I can think of certain lines that probably you have not seen; they were in substantial quantities, but they were left-overs, if you like, of lines that were not so active.

THE COMMISSIONER: What do you refer to as the brief? You are bringing it in piecemeal, are you?

MR. McRUER: Yes, my lord.

BY MR. McRUER: Q. Those that are in Exhibit 146 are representative lines, are they? A. I think 146, if that is the top one, are Montreal Cotton s' lines.

Q. Montreal Cottons' lines, yes. We have the Sherbrooke ones already filed. A. You have, as I tried to explain a minute ago, the samples in the grey, and finished samples of lines that were being produced at Sherbrooke .

Q. Yes? A. Earlier in this year, or late in 1935, in large quantities.

Q. Yes, but can you give us the samples that are manufacturing at that time? A. Yes, you have had some of them.

Q. Well, may I take it that those that were furnished formed part of this brief, and are representative of the samples? A. Those that you have in the brief are the lines which we were actually engaged in producing in the grey in substantial volume, in December.

Q. Yes? A. We had, of-hand, at Moncton, right some quantities of other lines still in the grey that had never been put through. I can think of certain lines that probably you have not seen; they were in substantial quantities, but they were left-overs, if you like, of lines that were not so active.

THE COMMISSIONER: What do you refer to as the grey? You are referring it in pieces, are you?

MR. McKAY: Yes, by lots.

MR. MONTGOMERY: Q. These that are in Exhibit 1 are representative lines, are they? A. I think so, if what I am saying, are contained bottom sheet lines.

Q. Montreal Cottons' lines, yes. We have the underwear and hosiery lines. Q. You have, as I tried to explain a minute ago, the samples in the grey and finished samples of lines that were being produced at Marbroome.

Q. Less? A. Earlier in this year, or lines in 1945, in large quantities

Q. Yes, I went into that carefully at Sherbrooke? A. Now Montreal Cottons, - you have in Exhibit 146, - basically you have got there, as far as I could see this morning, two constructions of rayon taffeta, plain, and a rayon taffeta brocade?

Q. Yes? A. You have that in two widths, a 27-inch finished width and I think the other finished width is 36 inches. You can check me on that. You have those two cloths in those two widths.

Q. You just go on now and tell me what we have got? A. You have got those two cloths in those two widths.

Q. Well, these were put forward, prepared and put forward by you for a particular purpose. Now, will you tell me what the purpose was? A. Yes. It was to supply information along the lines of and in the form suggested by an officer of the Department of National Revenue.

Q. Just tell me what the purpose was.

THE COMMISSIONER: When was this, Mr. McRuer?

BY MR. McRUER: Q. When was this done? A. That was done January 24th; January 24th is the date on the Exhibit.

BY THE COMMISSIONER: January 24th of this year?

A. Yes, January 24th of this year.

BY MR. McRUER: Q. The date on the first one I look at is March 14th, 1936? A. May I see that and put you straight on it. Yes, that is on the sample.

Q. They are all marked the 14th March, 1936? A. Yes, the samples were supplied later. I am

Q. Yes, I went into that generally at Montreal.

Q. Now Montreal Cotton, - you have in exhibit 16, - nationally you have got one, as far as I could [illegible] this morning, two constructions of rayon [illegible]. [illegible]

Q. Yes? A. You have that in two widths, a 27-inch finished width and I think the other finished width is 36 inches. You can check me on that. You have those two colors in those two widths.

Q. You just go on now and tell us what we have [illegible] forward by you for a particular purpose. Now, will you tell me what the purpose was? A. Yes. It was to supply information along the lines of and in the form suggested by an officer of the Department of National Revenue.

Q. Just tell me what the purpose was.

THE COURT ADJOURNED: When was this, Mr. Mahoney?

MR. MAHONEY: Q. When was this done? A. It was done January 24th; January 24th is the date on the exhibit.

BY THE COMMISSIONER: January 24th of this year?

A. Yes, January 24th of this year.

[illegible] Q. May I see that [illegible] Yes, that is on the back [illegible]

referring now to the figures . The samples may have been put in later. I am not quite familiar as to how Mr. Hooper collected all this information.

Q. I do not think Mr. Hooper collected this at all? A. Oh, I am sorry. I may be on the wrong track. You are quite right. No, this is a copy of the information given to Mr. Hooper in the first place, exactly. This was not part of the Exhibit that was given to you, sir.

Q. Yes, but what were you preparing it for? A. Why, we were preparing it for Mr. Hooper.

Q. What did he want it for? A. He wanted to ascertain the Canadian costs of production or, if you like, sale value of certain rayon fabrics.

THE COMMISSIONER: What do you say?

THE WITNESS: I noticed the date this morning on one of the copies was January 26th.

BY THE COMMISSIONER: Q. That was not for the purpose of this inquiry? A. No, not at all, sir. I remember Mr. Hooper was in Montreal about January 23rd, I think. Yes, the 23rd or 24th, and tha information was worked on at that time, and he was present quite a part of the time.

BY MR. McRUER: Q. Well, what I am getting at is, did you supply Mr. Hooper with representative samples of your rayon fabrics? A. With the complete range of Montreal Cottons?

Q. Yes? A. No.

Q. Well, what did you keep back from him?

Q. I do not think Mr. Hooper collected this at all? A. Oh, I am sorry. I may be on the wrong track. You are quite right. No, this is a copy of the information given to Mr. Hooper in the first place, exactly. This was not part of the exhibit that was given to you, sir.

Q. Yes, but what are you preparing it for?

A. Why, we were preparing it for Mr. Hooper.

Q. Just did he ask it for? A. He asked to assortain the damaged costs of production or, if you like, sale value of co-ain rayon fabrics.

THE COURT ADJOURNED: What do you say?

THE WITNESS: I believe the case this morning on one of the copies was January book.

BY THE COMMISSIONER: Q. That was not for the purpose of this inquiry? A. Oh, not at all, as I remember it. Hooper was in conference about January book, I think. Yes, the book of book, and his information was worked on at that time, and he was present quite a part of the case.

BY Mr. Arnold: Q. Well, when I am going at the per ounce, Mr. Hooper was [illegible] of your rayon fabrics? . Also the complete

I do not mean it quite that way, Mr Gordon? What did he not get? A. Well, he did not get anything more than he wanted, or that he thought was necessary for his purpose. He did not reveal to us what his purpose was. We knew in a general way.

Q. What did you know in a general way? A. We knew in a general way, that his Department were concerned with the relative values of producing goods here and in Japan.

Q. Yes, then it was for comparative purposes between Canada and Japan? A. I would say so, yes. I don't think that is any secret.

Q. And those are the facts you are putting forward to Mr. Hooper for comparative purposes? A. Those were the facts that Mr. Hooper was particularly interested in.

Q. He did not select the fabrics? A. It is a question of what you call "selected".

Q. You were giving to Mr. Hooper certain fabrics that you thought would meet with the inquiry? A. Well, Mr. Hooper was in a position to know as well, if not better, than ourselves the type of fabrics that would be necessary for his investigation.

Q. What I am getting at is, that you people were interested particularly in this investigation? A. Well, yes, naturally.

THE COMMISSIONER: This investigation?

MR. McRUER: I mean in the investigation that Mr. Hooper was conducting.

I did not know it quite that way, Mr. Gordon. He did not get? A. Well, he did not get anything more than he wanted, or that he thought was necessary for his purpose. He did not reveal to us what his purpose was. He knew in a general way.

Q. What did you know in a general way? A. We knew in a general way, that his Department were concerned with the relative values of producing goods here and in Japan.

Q. You, then it was for comparative purposes between Canada and Japan? A. I would say so, yes. I don't think that is any secret.

Q. And those are the items you are putting for and to Mr. Hooper for comparative purposes? A. Those were the items that Mr. Hooper was particularly interested in.

Q. He did not select the items? A. It is a question of what you call "selected".

Q. But that style of Mr. Hooper certainly indicates that you thought would suit with his inquiry?

A. Well, Mr. Hooper was in a position to know as well if not better, than ourselves the type of items that would be necessary for his investigation.

Q. What I am getting at is, that you people were interested particularly in this investigation?

A. Well, yes, naturally.

THE COMMISSIONER: This interesting point

MR. HANNA: I know the investigation then Mr.

THE WITNESS: Well, in the investigation that would be based on Mr. Hooper's data, yes.

BY MR. McRUER: Q. And you would want to put forward to Mr. Hooper the fabrics that would likely be in competition with Japanese fabrics? A. Yes, e would try to assist Mr. Hooper in that direction.

Q. And the fabrics you would put forward to him are the ones that you would suggest would be in competition with Japanese fabrics? A. Yes, I think that is a fair statement.

Q. Yes, I would think so. A. Mr. Hooper, if I may be allowed to finish, was in a position, if he did not consider any of those fabrics suitable, to say so, and not use it for his purpose.

Q. Oh yes. I am not suggesting anything about whether Mr. Hooper did the right or the wrong thing, or anything else. I am just trying to get your position, and that is all.

A. Yes. I do not want you to get any wrong impression on our position, that is all.

Q. I don't want to either. Well then, you went to see the Minister of Finance in reference to the subject matter of the likelihood of Japanese goods competing with your output in regard to the rayon. A. Is that a question?

Q. Yes? A. Yes. We saw , - I say "We" - myself, along with other representatives of our industry.

Q. Who were with you? A. Mr. Tolmie, of

MR. MCMURRY: Well, in the investigation that would be based on Mr. Hooper's data, etc.

BY MR. MCMURRY: Q. And you would not put forward to Mr. Hooper the figures that would likely be in competition with Japanese factories? A. Yes, I would try to assist Mr. Hooper in that direction.

Q. And the figures you would put forward to him are the ones that you would suggest would be in competition with Japanese labour? A. Yes, I think that is a fair statement.

Q. Yes, I would think so. Q. Mr. Hooper, if I may be allowed to think, was in a position, if he did not consider any of those figures suitable to say so, and not use it for his purpose.

A. Oh yes. I am not suggesting anything about another Mr. Hooper did the right or the wrong thing or anything else. I am just trying to get your position, and that is all.

A. Yes. I do not want you to get any wrong impression as our position, that is all.

Q. I don't want to either. Still then, you want to see the distinction of figures in reference to the subject matter of the likelihood of Japanese goods competing with your output in regard to the tariff.

Q. Is that a question?

Q. Yes? A. Yes. So am, - I may "not" - myself, along with other representatives of our Association.

Canadian Cottons; Mr. P.R. Watson, of Grouts Limited; Mr. Marx, of Associated Textiles; Mr. J.B.Dodd of the Paton Manufacturing Company. And that is as far as my memory serves me at the moment. I may have overlooked somebody there, but they were certainly all members of the group.

Q. And you went there for wht purpose? A. We went to Ottawa --

Q. To interview the Minister of Finance. For what purpose did you interview him? A. We went first of all to see, -- in the morning of January 14th we had an interview with Mr. Skelly and his Assistants, Mr. Hooper and others.

BY THE COMMISSIONER: Q. Mr. Skelly? A. Yes, Commissioner of Customs. And we went over the whole situation with Mr. Skelly from the angle of the present tariff set-up, the details, the different clauses, and all the rest of it, that has been expounded here in evidence for the last couple of days.

BY MR. McRUER: Yes? A. And we took up with Mr. Skelly, what could be done under the existing tariff set-up under the circumstances, and Mr. Skelly explained what, in his opinion could be done.

Q. Yes. A. Following that discussion, we met with Mr. Dunning, Mr. Euler, and Mr. Illsley, jointly, in the afternoon, and told them the results of our discussions with Mr. Skelly in the morning, and that is the whole story.

Canadian Cottons; Mr. F.H. Watson, of Grants Limited; Mr. Marx, of Associated Textiles; Mr. J.R.Dodd of the Boston Manufacturing Company. And that is as far as my memory serves me at the moment. I may have overlooked somebody there, but they were certainly all members of the group.

Q. And you went there for what purpose? A. We went to Ottawa --

Q. To interview the Minister of Finance. For what purpose did you interview him? A. We went first of all to see, -- in the morning of January 14th we had an interview with Mr. Skelly and his Assistant Mr. Cooper and others.

BY THE COMMISSIONER: Q. Mr. Skelly? A. Yes, Commissioner of Customs. And we went over the whole situation with Mr. Skelly from the angle of the present tariff set-up, the details, the different classes, and all the rest of it, that has been expounded here in evidence for the last couple of days.

BY A. MORROW: Yes? A. And we took up with Mr. Skelly, that Skelly is also under the Anti-Dumping tariff set-up under the circumstances, and Mr. Skelly explained what, in his opinion could be done.

Q. Yes. A. Following that discussion, we met with Mr. Dunning, Mr. Euler, and Mr. Lilley, jointly, in the afternoon, and told them the results of our discussions with Mr. Skelly in the morning, and that is the whole story.

Q. Now, at that time, were you putting before these ministers a statement in regard to Japanese quotations? A. Yes, figures were mentioned.

Q. Where did you get the figures that you were mentioning to the Ministers? A. The particular figures that were touched upon at that time were, first of all, those which had been quoted in Canadian money, f.o.b. Toronto, by a certain agent.

Q. My question was quite clear, I think, Mr.Gordon? A. Will you repeat it, please?

Q. I said, where did you get them? A. The figures?

Q. Yes? A. Well, we got them from quotations made by these agents handling Japanese goods to the trade.

Q. My question is still clear, Mr. Gordon. Where did you get them? A. From quotations --

Q. From whom? A. Well, from different sources.

Q. From where? A. All right, just wait a minute, I will tell you, don't worry.

Q. All right, I thought I was making it clear. A. We got it in these letters which I have referred to, written to certain people in the trade, wholesalers such as--

Q. I am not going to have "such as". I do not know what letters you refer to. I want to know how you got the quotations that you brought before the Minister of Finance, of the Minister of Trade and

Q. Now, at that time, were you passing before
those administrators a statement in regard to dangerous
materials? A. Yes, I believe that was mentioned.

Q. Shortly after the Firemen had you been
mentioning to the Administrator? A. The particular
Firemen that were standing here at that time,
first of all, those which had been quoted in Counsel
Court, Fire, Security, or a certain amount.

Q. My question was quite clear, I think, Mr. Gordon.
Did you answer it, please?

Q. I said, where did you get them? A. From
(inaudible)

Q. Yes? A. Well, we got them from quotations
made by various agents handling Japanese goods to the
trade.

Q. My question is still clear, Mr. Gordon.
Where did you get them? A. From various --

Q. From whom? A. Well, from different
companies.

Q. From whom? A. All right, just call
a business, I will call you, don't worry.

A. All right. I thought I was making it clear.
Q. So you is in those business which I have referred
to, within to general people in the trade, wholesale
and so--

Q. I am not going to have "such as". I do not
know what letters you refer to. I want to know now
(inaudible) that you brought before the

Commerce, the Minister of National Revenue, and from whom you got them, and under what circumstances you got them? A. Well, perhaps I had better explain the circumstances first.

Q. All right. A. I do not know that I am, even here, strictly correct in giving you the names of individual firms who perhaps have furnished us with quotations.

Q. But, Mr. Gordon, I want to verify whether these quotations were genuine, whether there was any person prepared to make deliveries at the time, or whether they were merely quotations that were got for the purpose of ---

THE COMMISSIONER: There is no doubt but that we must have them, Mr. Gordon.

THE WITNESS: Your Lordship, I will be glad to give Mr.McRuer the names written down, but I do not know whether they should be proclaimed publicly?

THE COMMISSIONER: That is why I am sitting here, Mr. Gordon. This is a public inquiry. You see, you went to the Government and said Here are certain quotations; and on the strength of that you want certain action taken. Now, I want to know who made these quotations, and where you got them from.

THE WITNESS: I think we can make it quite clear, sir. The quotations emanated from A.B. Fisher Company, Toronto.

BY MR. McRUER: Q. When did you get a quotation

commerce, the minister of national revenue, and from whom you got them, and under what circumstances you got them? A. Well, perhaps I had better explain the circumstances first.

Q. All right. A. I do not know that I can, even here, strictly correct in giving you the names of individual firms who perhaps have furnished us with quotations.

Q. But, Mr. Gordon, I want to verify whether the quotations were genuine, whether there was any person prepared to make deliveries at the time, or whether they were merely quotations that were given for the purpose of ---

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THE WITNESS: I think we can make it quite clear, sir. The quotations emanated from A. L. Albert Bankhead, Montreal.

BY MR. MORLEY: Q. When did you get a quotation

from A.E.Fisher & Company, Toronto? A. A.E. Fisher & Company wrote a letter to many elements of the trade in Canada, dated January 4th, which reached wholesalers and other elements of the trade, from, I would say, from Quebec to Vancouver.

Q. I suppose we can get a copy of that letter? A. You can, yes.

Q. Well, you have one letter ---

THE COMMISSIONER: Pardon me a minute, Mr.McRuer. Who is Fisher & Company?

MR. McRUER: Their address in Toronto?

THE COMMISSIONER: Q. What is their business? A. They are jobbers, sir, and importers of textile goods, particularly rayons.

BY MR. McRUER: Q. You see, it will be necessary for us to follow up and find out how much was in the whole letter? A. Well, you can get that, Mr. McRuer.

Q. And whether anything was ever sold on the strength of the letter? A. Yes, you can get that too.

Q. Or whether you got in a panic when you saw the letter from the Fisher Company? A. No, I think you will find there is a little more to it than that. As I tried to explain to you, those quotations were in Canadian currency f.o.b. Toronto.

Q. The quotations from the Fisher Company were f.o.b. Toronto? A. Yes.

Q. And these quotations were? A. Broadcast,

if you like.

Q. Sent out to the trade? A. Yes.

Q. Yes? A. Possibly you would be interested--

Q. Have you since heard from Fisher how much he sold on the strength of those quotations? A. Well, we are not in a position to, Mr. McRuer. And, furthermore, the Fisher Company would not tell us.

Q. Did you ever ask him? A. I don't know whether we did. It would have been rather a hopelwss question.

Q. Now, that is one source of your information was from quotations that were sent out by the Fisher Company on Japanese goods? A. Yes.

Q. You did not see the goods on which he was quoting? A. The goods themselves, of course, had not arrived at that time.

Q. You did not see samples of the goods on which he was quoting? A. Yes, we did. Our salesmen did. They saw samples throughout the trade.

Q. You never saw the samples? A. Yes, our representatives did. Personally?

Q. Yes, personally? A. I saw samples after they were seen in around Montreal, after they were transferred to our offices in Montreal by our various sales officers.

Q. I show you Exhibit 128. Were those samples of Japanese goods that Fisher was quoting on? A. I would say that they were the type of goods. I would not say they were the exact samples.

if you like.

Q. Set out to the trade? A. Yes.

Q. Very [illegible]

Q. Have you since heard from Kinner see much be

sold on the strength of those quotations? A. No,

we are not in a position to, Mr. Commer. And, Tho

more, the Fisher Company would not tell us.

Q. Did you ever ask him? A. I don't know w

we did. It would have been rather a hopeless quest

Q. Now, that is one source of your information

was from quotations that were sent out by the Fisher

company on Japanese goods? A. Yes.

Q. You did not see the goods on which he was

quoting? A. The goods themselves, of course,

had not arrived at that time.

Q. You did not see samples of the goods on wh

he was quoting? A. Yes, we did. Our salesmen

did. They saw samples throughout the trade.

Q. You never saw the samples? A. Yes,

our representatives did. Personally?

Q. Yes, personally? A. I saw samples

after they were seen in around Montreal, after they

were transferred to our offices in Montreal by our

Montreal sales officer.

Q. I show you Exhibit 138. Were there se

of Japanese goods that Fisher was quoting on?

A. I would say that they were the type of goods.

I would not say they were the exact samples.

Q. Type of goods, all right. Did you lead the Ministers to believe, that the goods that were being quoted by Fisher were goods that were of the same class and quality of your output? A. Certain parts of our out-put, yes.

Q. Did you put it that way, or did you put it that they were goods of equivalent class and character as your output? A. No, I don't think the impression was ever given to the Ministers, that the particular information that we had as to exact prices and quality at that time represented our entire output.

Q. You were not in a position then to form any opinion yourself as to how far the quality of the goods would compete with you? A. Who says so?

Q. I am asking you, were you? A. Yes.

Q. You were in a position? A. Yes.

Q. To form an opinion then? A. Yes.

Q. Now, what would you base your opinion on, quotations by Fisher, and what else? A. Insofar as price goes, on quotations in Japanese from such agents as Mitsui.

Q. Mitsui, yes. What quotations are you referring to now that you had prior to January 14th? A. A quotation was made almost concurrently with this Fisher quotation; I cannot tell you whether it was January 5th or 6th, but very shortly after January 4th, by Mitsui and Company to the H.Brown Silk Company of Toronto.

. Line of goods, all right. Did you hand the
Ministers to believe, that the goods that were being
quoted by Flaher were goods that were of the same
class and quality of your output? A. Certain
parts of our out-put, yes.

. Did you put it that way, or did you use it
that they were goods of equivalent class and observance
as your output? A. No, I don't think the
impression was ever given to the Ministers, that the
particular information that we had as to exact prices
and quality at that time represented our entire output.

. You were not in a position then to form any
opinion yourself as to how far the quality of the
goods would compete with your? A. Who says not

. I am asking you, were your? A. Yes.

. You were in a position? A. Yes.

. Now, what would you base your opinion on,
questions by Flaher, and what else? A. Inquiries
agents as Mitani.

. Already, yes. [illegible]
referring to how that you had prior to January 14th
A. A quotation was made almost concurrently with the
Flaher quotation; I cannot tell you whether it was
January 9th or 8th, but very shortly after January
by Mitani [illegible]
Toronto.

Q. How did you get that quotation? A. From the H.Brown Silk Company.

Q. You asked the H. Brown Silk Company for it, or did you get the H. Brown Company to get it for you? A. No, he had got it before. We asked him about it; he had had that quotation.

Q. But you went to H.Brown for it? A. Yes.

Q. Was it a matter of fact, that you arranged with Brown to make an importation of Japanese goods? A. No, we have not imported any Japanese goods through their instrument or otherwise.

Q.Did you not get H. Brown to place an order for Japanese goods? A. No, sir.

Q. Well, did your firm, or some one on behalf of it? A. No, we have placed no orders for Japanese goods.

Q. Well now, I say did not you arrange to get H. Brown to place an order for the importation of Japanese goods ? A. No, we did not.

Q.Or someone on your behalf? A. No.

BY THE COMMISSIONER: Q. Who is H. Brown?

A. The H. Brown Silk Company, of Toronto; another jobber, my lord.

BY MR. McRUER: Q. The H. Brown Silk Company hands a quotation to you, that is right? A. Yes. I can tell you exactly what you are driving at; you have not put your question correctly.

Q. All right. A. You want to know where that particular Silk Company obtained Japanese prices

Q. Did you not that understand? A. I know
the B. Brown Silk Company.

Q. You asked the B. Brown Silk Company to get it,
or did you get the B. Brown Company to get it for you?
A. No, we had got it before. Q. Asked him about
it; he had had that question.

Q. But you went to B.Brown for it? A. Yes.

Q. Was it a matter of fact, that you arranged
with Brown to make an importation of Japanese goods?
A. No, we have not imported any Japanese goods
through their instrument or otherwise.

Q. Did you not get B. Brown to place an order for
Japanese goods? A. No, sir.

Q. Well, did your firm, or some one on behalf
of it? A. No, we have placed no orders for
Japanese goods.

Q. Well now, I say did not you arrange to get
B. Brown to place an order for the importation of
Japanese goods? A. No, we did not.

By the Court Stenographer: Q. Who is B. Brown?
A. The B. Brown Silk Company, of Toronto; manu-
facturer, my lord.

Mr. McCarthy: Q. The B. Brown Silk Co
hands a question to you, that is right? A. Yes
I can tell you exactly what you are driving at;
you have not yet [illegible] [illegible].

Q. All right. A. You want to know where the

or quotations on further ranges of goods; is that what you would like to know?

Q. Well, yes. A. Well, we did not have any goods brought in.

Q. You got H. Brown to do it? A. No. I say, through the instrument of H. Brow we did not arrange to have any goods brought in.

Q. Directly or indirectly? A. I don't know what you mean by"indirectly?"

Q. Oh, you know what I mean? A. Oh no, I do not.

Q. I am asking you now, if your Company did not, directly or indirectly, arrange with H. Brown to make an importation of goods from Japan?
A. Not to the best of my knowledge, Mr. McRuer.

Q. Well then, you are going to tell me what I was driving at. A. Well, what I thought you were driving at.

Q. All right, go ahead, and make a confession.
A. I am not here to make a confession, Mr. McRuer. We did, through the kindness, if you like, of the H. Brown Silk Company---

Q. By an arrangement with them? A. Take steps to ascertain further values.

BY THE COMMISSIONER: Q. Further what?
A. Further values, sir, of various types of rayon goods, Japanese values, I should say Japanese prices, if you like, of other types of rayon goods as used

or questions on further rayon of goods, is this what you would like to know?

Q. Well, yes.

A. Well, we did not have any goods brought in.

Q. You got H. Brown to do it? A. No. I say, through the instrument of H. Brown we did not arrange to have any goods brought in.

Q. Directly or indirectly? A. I don't know what you mean by "indirectly".

Q. Oh, you know what I mean? A. Oh no, I do not.

Q. I am asking you now, if your Company did not directly or indirectly, arrange with H. Brown to make an importation of goods from Japan?

A. Not to the best of my knowledge, Mr. Bonner.

Q. Well then, you are going to tell me what I was driving at. A. Well, what I thought you were driving at.

Q. All right, go ahead, and make a confession.

A. I am not here to make a confession, Mr. Bonner. We did, through the kindness, if you like, of the [illegible] Company—

Q. By an arrangement with them? A. Take [illegible] certain [illegible] values.

BY THE CONSTABLE: Q. Further what?

A. Further values, sir, of [illegible] goods, Japanese values, I should say Japanese prices if you like, of other types of rayon goods as used

in this market.

BY MR. McRUER: Q. Yes, and did you get some information from H. Brown? A. Yes, we did.

Q. When did you get that? A. That came to hand, I would say, in the first half of February, Mr. McRuer.

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in this market.

BY MR. McMURRY: Q. Yes, and did you get some information from Q. Great? A. Yes, we did.

Q. When did you get that? A. That came to hand, I would say, in the first half of February?

Mr. McMurry.

Q. Sothat you did not have that information when you interviewed the Minister of Finance? A. No.

Q. You were still, in the first half of February, struggling to get information about quotations on -- A. No.

Q. -- Japanese goods? A. No, what we were doing --

BY THE COMMISSIONER: Q. There was no harm in getting information? A. No, I am not saying there is. What we were doing -- I don't think Mr. McRuer has put it the right way -- what we were doing, we were seeking to confirm our ideas of the level of Japanese values that we were fairly certain existed right after the beginning of the year.

BY MR. McRUER: Q. But up to the middle of February you were seeking to confirm those ideas by getting an importer in Toronto to get that for you? A. Quite right.

Q. Not by any information that you had coming back to you as a result of goods being sold to the trade at those values? A. Not on those particular constructions.

Q. What particular constructions were you having Mr. Brown inquire about? A. The lines which you have studied in connection with your Sherbrooke activity.

Q. You mean constructions the same as they made at Sherbrooke? A. Yes, basically those constructions.

Q. Have you got samples of the Japanese goods that

Q. Either you did not have that information wh
you interviewed the manager of Yamamoto? A. No.

Q. You were still, in the first half of February
receiving in any information about conditions in —

A. No.

Q. — Japanese goods? A. No, what we were
doing —

BY THE COMMISSIONER: Q. There was no harm in
getting information? A. No, I am not saying
there is. That we were doing — I don't think Mr.
Mosher has put it the right way — what we were doing
we were seeking to confirm our ideas of the level of
Japanese values that we were fairly certain existed
right after the beginning of the year.

BY MR. MORRIS: Q. Put up to the middle of
February you were seeking to confirm those ideas by
getting an importer in Toronto to get that for you?
A. Quite right.

Q. Not by any information that you had coming
back to you as a result of goods being sold to the
trade at these values? A. Not on those
particular consignments.

Q. Well particular consignments were you unfa
Mr. Brown inquire about? A. The lines
which you have stated in connection with your Ber-
lin's activity.

Q. You mean consignments the same as they made
at the moment? A. Yes, basically those
consignments.

Q. Have you got samples of the Japanese goods th

were quoted to you as being the same as those?

A. No.

Q. You have not seen samples of them? A. No.

Q. As far as you are concerned to-day you have not yet seen a sample of the Japanese goods that competes with your Sherbrooke manufacture?

A. We have seen many samples of Japanese goods as sold to different markets, and so far as I am concerned I have reason to be quite confident or certain, if you like, that Japan is fully capable of making the exact goods that were quoted on.

BY THE COMMISSIONER: Q. Of making what?

A. The exact goods that were quoted on, that Japan quoted on.

BY MR. McRUER: Q. If you would just answer my question then we will go on with any explanation you wish to make. I say up to to-day you have not seen any Japanese goods in the Canadian market that is of the same texture, the same specifications, or is the same article as manufactured at Sherbrooke?

A. I have not seen that myself. There may be such in the country; I don't know.

Q. I would think with the interest you had in the matter if they were to be had you would have seen them by now. A. I don't know that they would have been available to me. I noticed in your list of importations there there are certain crepes that may have been samples. I have not seen those samples. There is 250 pounds, was it? I would be very glad to see them.

were quoted to you as being the same as those?

A. No.

Q. You have not seen samples of them?

A. As far as you know [illegible]

[illegible]

competed with your Sheerboke manufacturer?

A. We have seen many samples of imported goods on to different markets, and so far as I am concerned have reason to be [illegible]

[illegible]

Q. [illegible]

A. The owner knows that were quoted on, but I haven't [illegible]

BY MR. MORRAN: Q. If you would just answer my question then we will go on with my supplementary [illegible] to make. I say up to [illegible] you have not seen imported goods in the Canadian market [illegible]

[illegible] relative to manufactured at Sheerboke?

A. I have not seen that myself. There may be such in the country. I [illegible]

Q. I would think with the interest you had in the matter if they were to be had you would have seen them by now.

A. I don't know that they would have been available to me. I noticed in your list of importations there were certain orders that may have been samples. I have not seen those samples. [illegible] I [illegible] them.

Q. All I am talking about, Mr. Gordon, is that you have not seen them? A. No.

Q. You know of nobody in the Dominion Textile that has, up to to-day? A. Yes, I think that is a proper statement. I don't know at the moment --

Q. Well,-- A. Let me answer; I don't know at the moment whether any of our salesmen in any of our sales offices have actually seen the types of goods as manufactured at Sherbrooke represented by Japanese samples or Japanese goods.

Q. It is a perfectly correct statement to make that up to to-day there has been no evidence of flooding of the Canadian market with goods from Japan that are in competition with the goods manufactured at Sherbrooke? A. No, I cannot agree with you on that.

Q. You cannot agree with me on that? A. No.

Q. What evidence have you got right now of any flooding of the Canadian market with any goods, that is, rayon goods similar to the ones manufactured at Sherbrooke? A. I am not quite clear when you say "flooding", in what sense --

Q. I mean flooding it in the sense that we would say it is going to be disastrous to the Sherbrooke mill? A. I think we all know that up to the present time that the imports of Japanese goods have not been very large because there has not been time for them to become so.

Q. Whether there has been time or not you will

Q. All I am talking about, Mr. Gordon, is that you have not seen them?

A. No.

Q. You have it mainly in the Qualico Tenders book, Mr. Gordon?

A. Yes, I think that is a proper statement. I don't know at the present --

Q. Well,--

A. Just one moment, I don't have in the present direct may be our reference in one of our earlier written data actually near the front of which is constructed by Kaufmann Transmission Company of Toronto and Qualico Limited.

Q. In a particular document or note that up to to-day there has been no evidence of flooding of the Canadian market with goods from Japan that are in competition with the goods manufactured at Strathcona?

A. No, I cannot agree with you on that.

Q. You cannot agree with me on that?

A. No.

Q. Well -- Have you not heard -- of any flooding of the Canadian market with any goods, that is, Japan goods similar to the ones manufactured at Strathcona?

A. I am not quite clear on your "flooding", I know I know --

Q. I mean flooding in the sense, that we could say it is going to be significant on the Canadian market?

A. I would not be in a position to answer that question.

Q. It has already been said that Kaufmann have not been with Kaufmann Transmission Company for many years.

A. Yes, I am aware of that.

agree with me that any importations there are from Japan do not amount to anything in the trade up until now? A. No, I cannot agree with that. We have lost entirely our production of the very lines which have been coming in already.

Q. You have lost your production entirely? A. Yes.

Q. I am going to find out what that production has been over a period of years in these lines and we will find out how much you lost? A. You can get it.

Q. Do you mean to suggest that the 247,000 yards of silk in three months from Japan amounts to anything in competition with your organization? A. Yes, I do, sir. I suggest this; I say this, so far as these particular fabrics are concerned that you have there, and which are samples of our Valleyfield fabrics in that particular line, that we have ceased the manufacture of these goods because it will be all we can do to get rid of our present stocks.

Q. You closed a mill in January because you could not sell? A. We are talking about Valleyfield for the moment.

Q. You are making the statement that you are ceasing at Valleyfield because you cannot get rid of the stock? A. I am talking about this particular case.

Q. Well, I am getting a little ahead; I am going into your Valleyfield --

BY THE COMMISSIONER: Q. Do you mean you think you

won't be able to get rid of the stock on account of Japanese goods coming in? A. People are perhaps not interested in placing orders at the figure that it costs us to make these goods. We can always get rid of them if we mark them down low enough.

Q. Why do you say people will not be interested in placing orders, why? I understood you had been getting orders previously and from now on you expect not to get them; why? A. Because the Japanese quotation is so much below our price

BY MR. McRUER: Q. Well, we are going into that in detail presently. I want to go back to January the 14th again. You had no further evidence of Japanese quotations in Canada on January 14th than you have given us, just your inquiries from Brown and the letter sent out by Fisher? A. I think everything came back to that, Mr. McRuer. The general attitude of the trade at that time was based on the same information.

Q. Well, we will deal with that; on December 30th you had written a letter, or at least Mr. Daniels had written a letter to Mr. Kershaw at Sherbrooke asking him to curtail production in Sherbrooke? A. Yes, that was to the 48 hour schedule.

THE COMMISSIONER: What date was that?

MR. McRUER: December 30th, my lord, 1935.

THE WITNESS: If my memory serves me right in connection with the Sherbrooke evidence that was connected with the exhibit that we gave you at that time showing the 48 hour schedule, a plan to run on

won't be able to get rid of the stock on account of
Canadian goods coming in? A. People are
[illegible] in placing orders on the figures
that it works out to make them cheap.

Q. Why do you say people will not be interested
in placing orders, why? I understood you had been
getting orders previously on from one to two thousand
not to get them; why? A. Because the Japanese
quotation is so much below our price

Mr. McRUER: Q. Well, we are going into that in
much greater detail. I want to go back to January the
1st 1941. You had no further evidence of Japanese
competition in January 1941 have you have
given us, just your impressions from June and the latter
part of October? I think everything came
down to what, Mr. McRuer. The general attitude of
the trade at that time was based on the same infor-
mation.

Q. Well, we will deal with that; on December 20th
you had written a letter, or at least Mr. Morris had
[illegible]
[illegible] in the 14 Aust [illegible]

[illegible] WHAT DATE DID YOU HEAR
[illegible] Mr. McRuer, Mr. Lord, [illegible]
[illegible] Q. Do you recall [illegible]
[illegible] the Dominion [illegible] that was
[illegible] the [illegible] that we were [illegible]
[illegible] in that [illegible]

that schedule.

BY MR. McRUER: Q. The letter reads --

"From now on Sherbrooke rayon will not run more than 48 hours per week. This has nothing to do with any legislation concerning hours worked, but it is merely, for the time being"--

A. Right.

Q. "That the Print Works will not be able to handle more than this production. Processing departments will, naturally, only run in keeping with the weaving."

A. Right.

Q. So that you had reached the peak in production in Sherbrooke in December? A. We had for the time being, yes; not for all time so far as our plants were concerned.

Q. You had, whatever your plans were?

A. Well, actually the fact, Mr. McRuer, as shown by the figures you already have, is that I think the fortnight ending December 21st was the highest production that we have made since that plant was started.

Q. Yes, and it was the peak of production of the years before, too, when you take the Verdun plant, taking your total production? A. I cannot agree with you, not on rayon goods as such. I can remember quite well, while I would not like to be exact in years, several years ago when we had over 800 looms running on rayon fabrics at Verdun.

Q. Well, that must have been -- A. Those were mixtures, of course.

hour schedule.

BY MR. MOLD:Q. The letter reads --

"Upon now on Drumbeke region will not run more than 48 hours per week. This has nothing to do with any legislation concerning hours worked, but it is merely, for the time being"--

A. Right.

Q. --and the Union wants will be able to handle more than hours --

MR. WILL, NATURALLY, ONLY TRY TO KEEPITC with the weaving.

A. Right.

Q. Do that you had --[illegible] the week in production

A. Yes.

Q. Do you know if Tuesday

MR. MOLD: Yes; but you did say we had no [illegible] very [illegible].

Q. You had, [illegible] --

A. Well, actually you that, [illegible], it is [illegible] the Planned Production Bonus; is that I think the [illegible] Bonus [illegible] that [illegible] --

Q. Yes, and it was the [illegible] you before, too, when you take the Vacuum plant, taking your total production?

A. I [illegible] [illegible] yes. But on Tuesdays [illegible] such. I [illegible] remember [illegible] well, while I would not like to be exact in years, [illegible] you [illegible] when we had over [illegible] Tuesday [illegible] Carries at Vardun.

Q. Well, that must have been --

A. [illegible] [illegible], of course.

Q. Was that before 1930? A. Before 1930?

Q. Yes? A. I don't think so; I would not be too exact.

Q. I just want to compare the output at Sherbrooke, between the two years. Now, the total stock on hand according to a statement that we have filed -- I have not got the exhibit number -- of stock on hand in December in the grey and in process --

A. December what year?

Q. December, 1935 -- was 2,040,179 yards and in the same month the year before it was 1,231,119 yards?

A. That was December, 1934, was it?

Q. That is December, 1934. A. And it was one million --

Q. 1,231,119 yards on the week of December 22nd in 1934, and the week of December 21st in 1935; taking the Sherbrooke and the Magog plants together it was 2,040,179? A. Yes.

Q. So your stock on hand on that week in December was up by 800,000 yards? A. Nearly.

Q. Over last December? A. Yes, 769,000.

Q. Over what it was in 1933? A. 1934.

Q. 1934, rather; so that was a very large rise when you come to face the stock on hand as it was at that time? A. Well, it depends on the scale you are in business. I don't know how far back you want me to go. We were a big factor, a very big factor at one time in the rayon mixtures when this was --

Q. Now, just let us stick to rayon just now;

Q. Was that before 1929? A. Before 1929?

Q. Yes? A. I don't think so; I would n

ve too scared.

Q. I just want to compare the output at Ster-

brooke, between the two years. Now, the total sto

on hand according to [illegible] I have not got the exhibit number -- of stock on h

in December in the grey and in process --

A. December what year?

Q. December, 1928 -- was 8,000,179 yards and i

some month the year before it was 1,401,119 yards?

Q. [illegible] 1928, was it?

Q. What is December, 1928. A. And it was

[illegible] --

Q. 1,281,119 yards on the year of December 2

in 1928, and the week of December 21st in 1929;

taking the Sherbrooke and the Magog plants toget

it was 8,000,177? A. Yes.

Q. So your stock on hand on that week in Dec

was up by 600,000 yards? A. Nearly.

Q. [illegible] -- Yes, 719,000.

Q. Does that [illegible]?

Q. Over what it was in 1928? A. 1928.

Q. 1928, mister; so there was a very large

[illegible] it from the stock on hand as it w

that time? A. Well, it depends on th

you are in business. I don't know how you m

many as to you. We have a big [illegible] very

[illegible] in the region [illegible]

was --

Q. But, don't let me stop to argue that

don't get off into any other goods.

A. I am not getting into other goods. If you want to bring out the facts then you will have to let me perhaps be a little bit discursive. On the rayon and rayon cotton, and when I say rayon cotton I mean rayon and cotton in the same piece of fabric, the rayon may be the warp and it may be the weft and the cotton may be the other part, but the two all go to the same trade and are used for the same purpose.

Q. They are not competing fabrics?

A. What do you call competing?

Q. Rayon is rayon and rayon mixture is rayon mixture and they are used for different purposes?

A. No, not at all.

Q. They do not sell in competition?

A. Yes, they do.

Q. Sell in competition as cotton sells in competition with rayon or as rayon sells in competition with silk? A. Now, Mr. McRuer, if you want evidence on that point from another source than my own, one reason that our friends in Lancashire feel that the rayon tariff is unjust to them is because it prevents them selling their rayon cotton mixture against our all rayon fabrics. That was brought out at the Tariff Board. In other words, they are in competition.

Q. They sell in competition? A. I am speaking of rayon cotton mixtures against all rayons.

Q. I am talking about rayon and only rayon at the moment and I am not to be side-tracked to rayon mixtures. A. I am not trying to side-track

that's not off into one other goods.

A. I am not getting into other goods. If you want to bring out the facts then you will have to let me perhaps be a little bit discursive. On the rayon and rayon cotton, and when I say rayon cotton I mean rayon and cotton in the same piece of fabric, the ray may be the warp and it may be the weft and the cotton may be the other part, but the two all go to the same trade and are used for the same purpose.

Q. They are not competing fabrics?

A. What do you call competing?

Q. Rayon is rayon and rayon mixture is rayon mixture and they are used for different purposes?

A. No, not at all.

Q. They do not sell in competition?

A. Yes, they do.

Q. Sell in competition as cotton sells in competition with rayon or as rayon sells in competition with silk? A. Now, Mr. Mosher, if you want evidence on that point from another source than my own, one reason that our friends in Lancashire feel that the rayon tariff is unjust is then it has not prevents them selling their rayon cotton mixture and our all rayon fabrics. They are shut out as the tariff stands. In other words, they are in competition.

Q. They sell in competition? A. I am speaking of rayon cotton mixtures against all rayons.

Q. I am talking about the last only. Do you say that the mixture and I do not in no sense-(speaking of rayon mixtures).

A. I am not talking in sense-(speaking of rayon mixtures).

you. You must not take that attitude.

THE COMMISSIONER: You had better frame your question, having regard to pure rayon.

BY MR. McRUER: Q. Having regard to pure rayon the stock on hand last December was the largest stock on hand of rayon you had ever had in the history of your company, having regard to pure rayon?
A. With regard to pure rayon last year was probably the first year that we were really a big factor in the all rayon business.

Q. Mr.Gordon, I am not arguing at all. I was asking a very simple question, and if you would just listen to it -- having regard to pure rayon the stock on hand last December was the largest stock your company had ever had on hand in all its history? Now, that is a simple question. A. Yes, but it is more of a statement than a question.

BY THE COMMISSIONER: Q. Is that right? Then you can go on with any explanation. Perhaps your own counsel will get you to explain it.

BY MR. McRUER: Q. I will let him explain anything, but I want my question answered.
A. Yes, that stock of rayon goods on hand on December 21, 1935 was 759,000 yards greater than the stock on hand on December 22, 1934 --

Q. Well,-- A. Let me finish; and larger than any previous year. The same remark would apply to the stock on hand on December 22, 1934; it was larger than the year before that.

Q. So that we take it on December 22, 1934, then,

you. You must not take that attitude.

THE COMMISSIONER: You had better frame your question, having regard to pure rayon.

BY MR. MONDER: Q. Having regard to pure rayon the stock on hand last December was the largest stock on hand of rayon you had ever had in the history of your company, having regard to pure rayon?

A. With regard to pure rayon last year was really the first year that we were really a big factor in all rayon business.

Q. Mr.Gordon, I am not arguing at all. I was asking a very simple question, and if you would just listen to it -- having regard to pure rayon the stock on hand last December was the largest stock your company had ever had on hand in all its history? Now, that is a simple question. A. Yes, but it is more of a statement than a question.

BY THE COMMISSIONER: Q. Is that right? Then you can go on with any explanation. Perhaps your own counsel will get you to explain it.

BY MR. MONDER: Q. I will let him explain anything, but I want my question answered.

A. Yes, that stock of rayon goods on hand on December 31, 1934 (-- [illegible] hand on December 22, 1934 --

Q. Well,-- A. Let me finish; and larger than any previous year. The same remark would apply to the stock on hand on December 22, 1934, it was [illegible] than the year before last.

Q. In fact on this it on December 22, 1934.

that the stock that was on hand then was the largest at that time than it had ever been before; is that what you mean? A. You say the largest on hand at that time than it had ever been before?

Q. Yes. A. It was larger at that time.

Q. It reached the maximum in December, 1934, up to that time, the all time maximum? A. On all rayon, yes.

Q. Then, in 1935 that was up by 800,000 yards again over the maximum of all time previous in 1934? A. Yes, using 800,000 as a round figure.

Q. Then, you notified the manager at Sherbrooke that he was to curtail production because the machinery at Magog was inadequate to handle the output? A. Yes.

Q. That is correct; and on January 13th you had, or had you that day a telephone conversation with Mr. Kershaw about further curtailing production? A. No.

Q. Or was it Mr. Daniels? Mr. Kershaw told us that he had a conversation with someone. A. I don't think it was a telephone conversation, was it?

Q. Yes, a telephone conversation with someone? A. On the 13th?

Q. On the 13th, yes. A. Just tell me the day in the week.

Q. That was a Monday? A. No, I don't think so; I think Mr. Kershaw was in Montreal in Mr. Daniels' office on Monday.

Q. Then, in 1930 that was up by 800,000 yards
again over the maximum of all time previous in 192
A. Yes, using 800,000 as a round figure.
Q. Then, you notified the manager at Sherbro
that he was to curtail production because the mach
at Moyo was inadequate to handle the output?
A. Yes.
Q. That is correct; and on January 13th you
or had you that day a telephone conversation with
Kershaw about further curtailing production?
A. No.
Q. Or was it Mr. Dandolo? Mr. Kershaw tole
that he had a conversation with someone.
A. I don't recall if was a telephone conversation.
Q. Yes, a telephone conversation with someone
A. On the 13th?
Q. On the 13th, yes. A. Just tell
the day in the week.
Q. That was a Monday? A. No. I don
think so; I think Mr. Kershaw was in Bonthrow in
Dandolo's office on Monday.

Q. He was here in Mr. Daniels' office, was he? I can probably just get that. Yes, he says it was a conversation between him and Mr. Daniels at the head office? A. Yes, that was my recollection of it.

Q. Did you have knowledge that Mr. Daniels had told Mr. Kershaw to further curtail production at the Sherbrooke plant on January 13th? A. Did I have knowledge on January 13th?

Q. Yes. A. No.

Q. When did you learn that Mr. Daniels had told Mr. Kershaw to further curtail production? A. I would say on the -- I learned it on January 15th.

Q. January 15th? A. Yes.

Q. You had learned that then; what did Mr. Daniels tell you about the orders he had issued to Mr. Kershaw? A. He did not tell me anything because he had not issued any orders at that time, Mr. McRuer.

Q. Oh yes, Mr. Kershaw, I think, told us that he had. A. No, I don't think so.

Q. Just let us see; now, at page 78 of the record Mr. Kershaw said -- he is asked on page 77 at the bottom --

"Q. Now, this says"-- this is referring to a letter of the 15th --

"'Further to our conversation of Monday regarding short time operations'-- and I note"-- this is my own statement --

"And I note that you have written in pencil

Q. Do you know, in Mr. Daniels' office, was he? I can probably just get that. Yes, he says it was a conversation between him and Mr. Daniels at his seat at Tiff? A. Yes, that was my recollection of it.

Q. Did you have conversation that Mr. Daniels told Mr. Lorenzen to further overall production of Shoemaker plant on January 1948? A. Did he make on January 1948?

Q. Yes. A. No.

Q. When did you learn that Mr. Daniels had told Mr. Lorenzen to further overall production?

A. I would say on the -- I learned it on January [illegible] 1948.

Q. You had learned that then; was did Mr. Daniels tell you about the orders he had issued Lorenzen? A. He did not tell me much, because he had not issued any orders at that time Mr. Lorenzen.

Q. Do you, Mr. Lorenzen, I think, told on the bad. A. No, I don't think so.

Q. Let us see; now, on page 78 of the Mr. Lorenzen said -- he is asked on page 77 at the bottom --

"Q. Now, this note"-- this is referring to of the left --

"Further to our conversation of January [illegible] about time operating"-- and I note"-- [illegible] your assessment --

"And I note that you have written in pencil

"'January 13th'? A. That is right.

Q. Was that a conversation between you and Mr. Daniels? A. Yes.

Q. Where did that conversation take place?

A. At head office.

Q. In Montreal? A. Yes.

Q. And what was the conversation that you had with Mr. Daniels regarding short time operations?

A. To the effect that we should have to further curtail.

BY THE COMMISSIONER: Q. I cannot hear you.

A. To the effect, that we would have to further curtail.

BY MR. McRUER: Q. What statement was written to you as to why"-- I think that is a mistake in being transcribed; it should be what statement was given to you --

"as to why you should further curtail?

A. I was under the impression --

Q. Please listen to my question, Mr. Kershaw. I said 'what statement was given to you as to why you should further curtail; what did Mr. Daniels say to you'? A. A shortage of machinery.

Q. A shortage of machinery? A. Yes.

Q. At the Print Works? A. Yes.

Q. So that on Monday, January 13th, you had a conversation with Mr. Daniels, in which he indicated to you that it was going to be necessary to make a further curtailment of production in the

"January 15th?" A. That is right.

Q. Was that a conversation between you and Mr. Daniels? A. Yes.

Q. Where did that conversation take place?

A. At head office.

Q. In Montreal? A. Yes.

Q. And what was the conversation that you had with Mr. Daniels, approximately, about time around?

A. To the effect that we should have to turn around.

Q. [illegible] A. To the effect, that we would have to turn around.

MR. McMURTRY: Q. What statement was written on "as to why"-- I think that is a mistake being transcribed; it should be what statement was written --

"as to why you should further cut?"

A. I was under the impression --

Q. Please listen very carefully, Mr. Bennett. I said 'that statement was given to you as to why you should further cut?; what did Mr. Daniels say to you?" A. A shortage of machine

Q. A shortage of machinery? A. Yes

Q. Is the point "cutter" A. Yes.

Q. So that on Monday, January 14th, you had conversations with Mr. Daniels, in which he claimed to you that it was going to be necessary to make a further curtailment of production

"rayon plant here? A. Yes.

Q. And the reason given at that time was the shortage of machinery at the Magog plant?

A. Yes.

Q. In the Print Works? A. Yes."

That is as Mr. Kershaw puts it. A. I would say that is quite correct so far as it goes.

Q. Well, it was to your knowledge agreed that it was necessary to further curtail production in the Sherbrooke plant because of a shortage of machinery in the Magog plant? A. No, it was not agreed so far as I was concerned, Mr. McRuer. Mr. Daniels and Mr. Kershaw no doubt discussed the matter between them and Mr. Daniels may have felt that, from his angle as manager of grey mill operations, that his stock of goods on hand at Sherbrooke was as high as he wanted to see it. Now, the question never came up to me for decision because other things happened in the meantime. I might, to complete my answer, I might, if the thing had come up to me in that form, I might have decided against any further curtailment below the 48 hour level.

Q. Still, any decision that you might have made could not have put more machinery in the Magog plant, could it? A. No.

Q. It was because there was not sufficient machinery in the Magog plant to handle the output that was going through, not that there was not a sufficient market? A. No, but the point is, Mr. McRuer, that you must note that the goods have not

"Mayo plant Dept. L. Yes.

Q. And the reason given at that time was the shortage of machinery at the Mayo plant?

A. Yes.

Q. In the print format? A. Yes."

That is an Mr. Kerbaum puts it. A. I recall

say that is quite correct as far as it goes.

Q. Well, it was to your knowledge stated that it was necessary to further curtail production in Sherritt's plant because of a shortage of machinery in the Mayo plant? A. No, it was not stated as far as I was concerned, Mr. Kerbaum. Mr. Daniels and Mr. Kerbaum no doubt discussed the matter between them and Mr. Daniels may have felt that this angle as regards of grey mill operations, but stock of goods on hand at Sherritt's was so high he wanted to see it. Now, the question never came up to me for decision because other things happened in the meantime. I might, to complete my answer, I might, if the thing had come up to me in that I might have decided to adopt any further curtailment below the 48 hour level.

Q. Well, any decision that you might have made could not have put more machinery in the Mayo plant, could it? A. No.

Q. It was because there was not sufficient machinery in the Mayo plant to handle the output that was going through, not that there was not a sufficient market? A. No, but the point Mr. Kerbaum, that you must note that the goods in

got to go on a truck or be handled. They can accumulate either at Sherbrooke or at the Magog print works.

Q. They may accumulate but the machinery would have to take them through? A. Eventually.

Q. Or you would get a case of overflowing banks, like the rivers were doing. A. No, we have adequate storage at the Magog print works and if I had been advised about the issue and had decided to go on producing at the 48 hour rate at Sherbrooke there would have been no overflowing banks as you put it.

Q. Had Mr. Daniels not spoken to you on Monday about the over production at Sherbrooke? A. No.

Q. Had he spoken to you prior to that about the over production at Sherbrooke? A. I think very likely he had, yes, in a general way.

Q. Had you known them to be on a 48 hour basis? A. Yes.

Q. Within ten days before or two weeks? A. I knew that from the beginning of the year that we were planning to run on a 48 hour basis.

Q. That was because of over production at Sherbrooke? A. It was because we felt that ~~xxx~~ rate of production together with our stock as of December 28th would give us sufficient grey cloth to meet the print works demands right through the season.

Q. Then, we have the conversation, at any rate, between Mr. Daniels and Mr. Kershaw on Monday and on Tuesday you are with a party visiting the Minister of

got to go on a truck or is handled. Does con
accumulate either at Smithville or at the mills pr
[illegible].

Q. They may accumulate but the machinery woul
have to take them through? A. Yes.

Q. Or you would get a case of overflowing bun
like the rivers were doing. A. No, we have
adequate storage at the Mount Print works and if I
been asked about the issue and had desired to
production at the 48 hour rate at Merrimacke there
would have been no overflowing banks as you put it

Q. Has Mr. Donald not spoken to you on behalf
about the over production at Merrimacke? A. I

Q. Had he spoken to you prior to that about
over production at Merrimacke? A. I think
very likely he has, yes, in a general way.

Q. Had you known them to be on a 48 hour bas
A. Yes.

Q. Within two days before or two weeks?
A. I have been from the beginning of the week the
we were planning to run on a 48 hour basis.

Q. That was because of over production at Mer
macke? A. It was because we
felt that the rate of production together with
our stock as of December 28th would give us suffi
grey cloth to meet the print works demands [illegible]
[illegible].

Q. Then, we have the conversation, at any rate
between Mr. Donald and Mr. Kerman on Monday and

Finance and the Minister of National Revenue and the Minister of Trade and Commerce? A. Yes, that is right.

Q. Was it not a fact that the Minister of Finance in your interview suggested to you that the quotations that you were presenting, and that were worrying you, might not be genuine quotations at which the goods could and would be delivered of a quality and line that would give you any serious competition? A. No, I don't think Mr. Dunning put it that way to us.

Q. Did he not put it in general terms in that way, and that you better just wait and see whether the goods were delivered on the Canadian market at those prices, and what they would look like when they came? A. What Mr. Dunning said was something to this effect. He said, "now, I am a business man, or I have been in business, among business men and you know that buyers are prone to try and put the wind up manufacturers. Now, perhaps this widespread agitation in the trade over this situation which has developed is perhaps put on a bit for your benefit and to try and frighten you. That was the gist of his remarks, as I remember them, in that connection.

Q. And that you better wait and see how the thing ironed out in the long run? A. Yes, something to that effect.

Q. Then, your party left Ottawa, and you, on the 15th of January, give orders for notice to be sent closing the Sherbrooke plant? A. That is right.

Q. What happened between the time that you left

Finance and the Minister of Railways and Canals and the Minister of Trade and Commerce? A. Yes, that is right.

Q. Was it not a fact that the Minister of Finance in your interview suggested to you that the question that you were presenting, and that were worrying you might not be genuine questions at which the goods could and would be delivered of a quality and line that would give you any serious competition?

A. No, I don't think Mr. Dunning put it that way.

Q. Did he not put it in general terms in that way, and that you had better just wait and see whether the goods were delivered on the Canadian market at those prices, and that they would do a line when the cement? A. That Mr. Dunning said was something to this effect. He said, "Now, I am a business man, or I have been in business, among business men and you know that buyers are prone to try and put wind up manufacturers. Now, perhaps this widespread agitation in the trade over this situation which developed is perhaps put on a bit for your benefit and to try and frighten you. That was the gist of his remarks, as I remember them, in that connection.

Q. And that you better wait and see how the thing turned out in the long run? A. Yes, something to that effect.

Q. Then, your party left Ottawa, and you, on 15th of January, give orders for mills to be ready closing the Sherbrooke plants? A. That is right.

Q. That happened between the time that you

the Minister of Finance and the 15th when you gave orders to close the Sherbrooke plant?

A. Well, I came back to Montreal, and the 15th was a Wednesday. I had available Wednesday morning --

Q. Just a minute.

THE COMMISSIONER: Well, gentlemen, I have just received word of the very sudden and unexpected death of Mr. Justice Wilson whom, of course, you all know, and who presided so long over courts in this very room. I knew Mr. Justice Wilson myself for many years. I may say he and I were very friendly, indeed. I feel very much the effect of this unfortunate news I have just received. Out of respect to Mr. Justice Wilson I will adjourn this inquiry until to-morrow morning at ten o'clock.

-- Whereupon the Commission adjourned at 3.15 p.m., April 7th, 1936 to resume on Wednesday, April the 8th at 10.a.m.

ROYAL COMMISSION ON THE TEXTILE INDUSTRY

HON. MR. JUSTICE W.F.A. TURGEON,

Commissioner,

A.J. Whiteley, Secretary,

S I X T E E N T H D A Y

Robert Brydie,
Official Reporter,

ROYAL COMMISSION OF THE TEXTILE INDUSTRY

HON. MR. JUSTICE W.F.A. TURGEON,

Commissioner,

A.S. Whiteley, Secretary.

A P P E A R A N C E S:

J.C. Gauer, K.C. and E. Desoregard, K.C.	Commission Counsel,
J.P. Lanctot, K.C.	For Special Committee of Primary Textile Industries.
C.S. Howard, K.C., Aime Geoffrion, K.C. and C.F. Ballantyne,	For Dominion Textile Co.
S.G. Dixon, K.C.,	For Courtaulds, Limited,
L.A. Forsyth, K.C.,	For Canadian Celanese Ltd. and Canadian Silk Products Limited.
Thomas Moss, K.C.,	Representing Douglas Hallam.

-- oOo --

Court House, Montreal,
Wednesday, April 8,1936.

-- On resuming at 10 a.m.

THE COMMISSIONER: Well, Mr. McRuer, are you ready?

MR. McRUER: Yes, I am, sir. Is Mr. Young here; Mr. Young, please.

THE COMMISSIONER: What is the name?

MR. McRUER: Mr. A. V. Young.

ALAN V. YOUNG, sworn,

EXAMINED BY MR. McRUER:

Q. Mr. Young, you are, I believe, the president of the Cotton Institute? A. Yes.

THE COMMISSIONER: President of what?

MR. McRUER: The Cotton Institute.

Q. The Cotton Institute is an association of companies manufacturing or fabricating cotton? A. Right.

Q. And it is connected with the Canadian Textile Institute? A. Yes; the Cotton Institute and the Woollen and Knit Goods and the Silk Institute are all combined in the Primary Textile Institute.

Q. That is, the Primary Textile Institute seems to be a sort of federation of these other institutes? A. Yes.

Q. While the term "institute" is applied it is in fact an association? A. An association of the three subsidiaries.

Q. Now, Mr. Young, have you any objection to make on behalf of your association, or the association of which you are president, to this Commission having full and complete access to the files of the Cotton Institute and its records? A. No, we have no objection at all, except insofar as the private information we have in reference to the Tariff Board.

Q. What do you term private information? A. That information that is presented for the Tariff Board.

Q. Pardon? A. The information that is at present before the Tariff Board.

Q. What I am asking is what is the nature of the information that you term to be private? A. For the hearing of the Tariff Board certain information was collected by the Institute.

Q. Collected from whom? A. From the various mills.

Q. From the mills, from the textile mills? A. The individual companies.

Q. Those are mills, as far as you are concerned, that are engaged in the manufacture of cotton goods? A. Right.

Q. You collected certain information from these mills? A. We did not collect. The mills turned it in to our secretary.

Q. Who is your secretary? A. Major Hallam.

Q. They turned in the information? A. Confidentially.

Q. He is the paid secretary of the association?

Q. Now, Mr. Fraser, have you any objection to
on behalf of your association, or the associations
with you are present, to this Commission having
full and complete access to the files of the Dom
institute and its records? A. No, we have
no objection at all, except insofar as the private
information we have is confidential to the Dairy Pr

Q. What do you term private information?
A. That information that is presented for the
Board.

Q. Period? A. The information th
at present before the Dairy Board.

Q. What I am asking is that in the course of
information that you have to be giving
the meeting of the Dairy Board certain information
was collected by the Institute.

Q. Collected from where? A. From the
various mills.

Q. From the mills, from the textile mills?
A. The individual companies.

Q. These are mills, do they be you are
that are engaged in the manufacture of cotton goo
A. Right.

Q. You collected certain information from th
mills? A. We did not collect. You
return it to our secretary.

Q. Who is your secretary? A. Major Mille
Q. They turned in the information? A. Co
(illegible).

Q. Who is the paid secretary of the association?

A. Yes, but the information is confidential insofar as the individual members of the Cotton Institute having access to it.

Q. Well, that is that you had an arrangement that that one mill turned in you would not tell the others? A. Naturally, yes.

Q. Insofar as it being confidential it was turned in to Major Hallam for his information and perusal? A. For submission to the Tariff Board.

Q. For his information and perusal in the first instance? A. He had to collate it for submission to the Tariff Board.

Q. It is all information that comes from their records, the records of the different mills?

A. Yes, but it is private and confidential as between the competitors.

Q. As between the competitors, but I am saying in what sense is it not information that comes from the records of the different companies whose business we are at the present time engaged in investigating? A. The information that the mills turned in is naturally information that related to their own companies.

Q. And it is information of the character that you would expect us to be interested in in the proper discharge of our duties under this Commission? A. I suppose so, yes.

Q. Well, in respect to all other information that you have, records of every nature, you will make that open? A. Everything except what relates to the Tariff Board.

A. Yes. But the information is confidential because the individual members of the Citizen Institute have access to it.

Q. Well, that is that, you have no arrangement that I can call issued in you would not tell the Tariff Board? A. Naturally, yes.

Q. Income as it being confidential is one thing in to the Tariff Board for his information and consideration. For publication to the Tariff Board.

Q. For this information and present in the Tariff Board? A. We had to publish it for consideration to the Tariff Board.

Q. Is in all information that comes from time to time, the results of the different mills?

A. Yes, but it is private and confidential as between consultors.

Q. As between the consultors, but I am asking is what means is it not information that comes from the results of the different companies where fund are at this present time or used in investigation.

A. The information that the mills furnish in in the information that relates to their own companies.

Q. And it is information of the character that would compel us to be interested in in the investigation of our duties under this Commission?

A. I suppose so. Yes.

Q. Well, in respect to all other information that is in, numerous of every nature, you will that apply? A. Everything account was

Mr. Tariff Board.

Q. Everything except what relates to the Tariff Board; then, I ask His lordship.

BY THE COMMISSIONER: Q. Does that mean everything that relates to the Tariff Board, because insofar as the Tariff Board is concerned there is a section of that act saying that certain things are to be kept as confidential? A. I only mean those things, sir.

THE COMMISSIONER: Have you in mind particularly matters pertaining to costs of production?

MR. McRUER: Yes. I have that particularly in mind, and I ask your lordship for a ruling that we may have these records because they are records of the very nature that we are asking people to produce here in court now. And, they evidently have been prepared and produced for an association which is an association of themselves, a voluntary association. Your lordship has not made a ruling yet --

THE COMMISSIONER: It has not come before me before. I will make a ruling, but I must know precisely what the subject matter of it is, just what you want and what the witness refuses to produce, or objects to producing, and the reasons for it.

MR. McRUER: Yes.

Q. Now, you have on your records information -- A. May I interject? They are not our records. They are Major Hallam's records. The records, as I see it, do not belong to our Institute. They are records that belong to the Tariff Board.

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Q. Belong to the Tariff Board? Major Hallam is not in any sense of the term employed by the Tariff Board? A. I understand, but some of the information that he has --

Q. That he is under a retainer to the Tariff Board? A. I don't know that he is under any retainer. I believe he is under oath in regard to some of the information he has.

Q. The same as you are under oath now. A. I don't know that it is the same.

Q. What is your objection to this Commission seeing these records? A. Well, I understand there is a conflict of law under the Tariff Board, and there is certain of the information that we legally cannot give out.

BY THE COMMISSIONER: Q. That is, you cannot give out -- A. That we legally cannot give out, that Major Hallam cannot give out.

BY MR. McRUER: Q. Do you take this position that the information that these companies have in regard to their own business cannot be legally given out? A. I think there is a question of doubt there, my lord; I am not represented by counsel --

THE COMMISSIONER: Mr. McRuer, there is no use in going into questions of law with the witness. You have certain documents in mind and you can define what you want and get his reasons for not making to produce them, and then we will dispose of it.

BY MR. McRUER: Q. You have documents that have been collected from members of your association that in-

dicate the costs of production? A. Yes, they are in the file.

Q. What other documents are there in it? A. I believe there are some documents that relate to some of the English costs, I think. I have never seen them; in fact, I have never seen any of them, except the documents that were turned in from our own particular company.

Q. What did you turn in from your company? A. We turned in certain costs.

Q. Tell us what you turned in? A. I think we only turned in half a dozen costs on different numbers of yarns.

Q. You turned in costs on yarns? A. Yes.

Q. Anything else? A. I don't think so. As far as I remember that was all.

BY THE COMMISSIONER: Q. What is Mr. Young's company? A. The Hamilton Cotton Company of Hamilton.

BY MR. McPEAK: Q. The Hamilton Cotton Company? A. The Hamilton Cotton Company, Limited.

BY THE COMMISSIONER: Q. Are you the president of that company? A. Yes, sir.

BY MR. McPEAK: Q. Have you any objection to this Commission having the costs that you have turned in? A. No, no. As a matter of fact, I think Mr. Hooper some time ago -- I met him in Montreal and he asked me to prepare certain material for him and I told him at that time we would do so.

Q. Have you any objection to us having the costs

that you turned in to Major Hellens? A. No, I don't think legally -- no, I have no objection to that.

Q. Now, if the Commission treats the documents that pertain to costs in the manner in which they have treated the question of costs so far, and that is, that the information be filed with the Commission, but not at present made public, do you see any objection to all these records being filed with the Commission? A. Yes. I don't think any information that isn't to be made public can be filed with what I understand is to be a public report, not legally.

Q. You are still objecting on that ground. Is it that you do not want the Commission to have the information contained in these records? A. There seems to be some conflict of law, and turning in information might put us in -- make us legally responsible for imprisonment or fine. I don't think we want to put ourselves in that position.

Q. We don't want to put you in that position.

THE COMMISSIONER: There is no use arguing the law, Mr. McRuer.

MR. McRUER: Alright.

THE COMMISSIONER: You tell me what you want and I shall say whether you shall get it.

BY MR. McRUER: Q. At any rate you have returns? A. You mean --

Q. Returns; what I want to know is the documents which you subject to produce are documents which we

Q. Is you guess in to [illegible] -- Q. [illegible] don't think locally -- Q. I have no objection to that.

Q. Now, if the Commission knows the Government's best position is going to be in regard to which [illegible] then the question of course is [illegible] that the information be filed with the Commission but not at present made public. If you see [illegible] motion to all these documents being filed with the Commission?

A. Yes. I don't think any information that isn't to be made public [illegible] filed with the Commission which I understand is to be a public [illegible] hearing.

Q. You are still adhering to that position. That you do not want the Commission to have the [illegible] action contained in those records?

A. [illegible] to be some conflict of law, but turning to [illegible] I might put us in -- [illegible] responsible for information of this. I don't [illegible] we would be put somewhere in that position.

Q. [illegible]

[illegible]

Q. [illegible]

MR. [illegible]: You will go [illegible]

I would [illegible] I do.

BY MR. [illegible]: Q. [illegible] you have [illegible]

A. You [illegible] --

Q. [illegible] that I [illegible] [illegible]

might class as information in regard to costs that have been collected by Major Hallam? A. I would think so, yes, generally speaking. As I say I don't know what information he has other than what our own company has turned in.

Q. Then, all other documents you are not objecting to producing? A. Anything except what we cannot produce, that is in the confidence of the Tariff Board.

Q. Anything except what? A. We will produce everything except confidential information for the Tariff Board.

Q. I just want to get what you term confidential information? A. The Tariff Board files. As I say I cannot tell you what it is; I don't know what it is.

Q. A certain set of files that are referred to as Tariff Board files? A. Right.

Q. Alright, that is all from you just now, Mr. Young.

DOUGLAS HALLAM, sworn,

EXAMINED BY MR. McKUER:

Q. Mr. Hallam, you are the secretary of the Cotton Institute? A. I am.

Q. And the secretary of the Silk Association? A. I am.

Q. And the secretary of the Woollen and Knit Goods Institute or Association? A. Yes.

Q. Institute you call it? A. Association.

Q. And have you any other --

BY THE COMMISSIONER: Q. Just let me have those again; the Cotton Institute? A. The Cotton Institute of Canada.

Q. Yes? A. I am sorry, sir, the doctor told me not go come down here to-day. I am sorry if my voice has gone. The Cotton Institute of Canada; The Silk Association of Canada and the Canadian Woollen and Knit Goods Manufacturers' Association.

Q. Canadian -- A. Woollen and Knit Goods Association.

Q. Woollen and Knit Goods Association? A. Right, sir.

BY MR. McKUEN: Q. And the Primary Textile Institute? A. I am also secretary of the Primary Textile Institute.

THE COMMISSIONER: The Primary Textiles Institute.

BY MR. McKUEN: Q. These associations are all voluntary associations in the trade? A. That is correct.

Q. People that have joined themselves together in an association for their own purposes, which we will not deal with just now, but they are a purely voluntary association? A. Correct; there is no possibility of force or coercion in any possible way.

Q. And they submit any statements to you as their secretary in a purely voluntary way? A. Yes.

Q. And will you tell me what sort of information

is contained in these files that are referred to as the Tariff Board files? A. When an inquiry is instituted by the Tariff Board we usually have a preliminary discussion with the British manufacturers --

Q. Now, not usually -- A. I just want to explain this, sir, if you don't mind; I won't take very long.

Q. Please, just govern yourself by my questions? A. Alright.

Q. And then if there is any explanation you want to make afterwards you may make it, but I want my questions answered when I ask them. I asked you what was the nature of the information that was contained in these files referred to as the Tariff Board files? I don't want what you usually do when an inquiry is instituted, or anything else. I want to know the nature of the information in these files as far as the Cotton Institute is concerned? A. These files, Mr. Archer, contain information which I was asked to obtain by the Tariff Board.

Q. Asked to obtain by the Tariff Board?

A. Asked to obtain.

Q. Under any letter? A. There is correspondence in connection with it. I cannot say there is a definite letter. It was after meetings with the English representatives and correspondence with England.

Q. Now, information in regard to what?

A. Costs of production.

Q. Your own association submitted this infor-

mation in regard to costs of production voluntarily to you? A. On the representation it was obtained for the Tariff Board, and in confidence.

Q. I say they have submitted it voluntarily to you? A. Yes.

Q. Had they wished they did not need to give you any information at all unless they wanted to? A. No.

Q. You were in no sense delegated by the Tariff Board with any authority to collect information? A. I am not quite sure of the exact bearing -- of the legal standing there, Mr. McRuer.

Q. I am just saying, as a matter of fact, you were not delegated to obtain information on behalf of the Tariff Board? A. May I make an explanation of about 40 words.

Q. Well, 40 words seems a lot for a simple question. A. The Tariff Board is a board --

Q. Just answer that question first and then go into 50 words if you want. A. What is the question?

Q. I said you were not in any sense delegated by the Tariff Board as one of its officials to obtain information? A. Absolutely correct.

Q. I am correct in that statement? A. Yes, I am not an official of the Tariff Board.

Q. You were not delegated by them to obtain information? A. I was asked by them to obtain information.

Q. What do you mean by asked by them?

A. The Tariff Board had a meeting between the representatives of the British industry and the representatives of our industry and it was decided what information should be obtained in the two countries and the method of obtaining it, how it was to be done, and then, when that preliminary work, which took considerable time and exchange of correspondence between the English people, ourselves and the Tariff Board, then the Tariff Board told me to go ahead and get that information for them.

Q. To get that information for them? A. Correct.

Q. You were submitting a case in your own defence, in defence of your industries? A. I don't think so, sir. We were submitting a case -- there was no attack by the Englishmen on our position. It was a question of fact finding.

Q. A question of fact finding? A. A question of fact finding.

Q. Then, what objection can there possibly be to the production before this Commission of the facts that you collected? A. The position is this -- I may be wrong in law, I am not a lawyer, Mr. McRuer -- but as I understand it if I give that information out which was solicited for the Tariff Board I am subject to imprisonment or fine.

Q. Have you got any document whatever to suggest that you were asked by the Tariff Board to get that information for them? A. Mr. McRuer, I didn't know that I would be questioned in anything but

a general way and I brought as documents with me.

Q. I have questioned you for a week to try to get these things, telegrams and everything else, and you mean to say that you did not know what we were going to ask you about? A. I had a general idea it was on this.

Q. You did; foggy? A. What?

Q. A foggy one or fairly clear? Well now, you did not need to have given information to the Tariff Board if you had not wanted to? A. The Tariff Board, of course, has the power to go and get it.

Q. I say you did not need to have given the information that you did to the Tariff Board? A. No, we could have said to the Tariff Board, "we won't give it to you".

Q. And the information you have got is information that has come from these various companies whose business we are investigating at the present time? A. That is correct excepting inasmuch as I have in my files information from Great Britain.

Q. Yes. A. On British costs.

Q. That is information collected in what way? A. Collected in England in the same way as it was collected here.

Q. By you? A. No, sir.

Q. Collected in England by whom? A. By the industry in Great Britain.

Q. And submitted to the Tariff Board? A. By

Q. Generally speaking I understand the arrangements which are
A. I have understood you for a week or so, you
need about talking. Gentlemen and young ladies,
you must be aware that you did not have anything
going to see you about.
A. I had a
idea it was an idea.
Q. You did; Thanks?
A. I think one of Bailey's clerks
you might have had an idea given information to
Bailey's Mews if you had not wanted to?
Bailey's Mews, of course, how the devil do I know
it.
Q. I did not ask you to have given the
information to Bailey's and to the Bailey's Mews?
A. No, he could have call to the Bailey's Mews,
"I'll give it to you".
Q. Are the instructions you have got in your
possession that you gave from those previous conversations
those businessmen Bailey's specially at the Mews
time?
A. That is correct general
answer as I have in my first information from
Bailey's.
Q. Yes.
A. In British coins.
Q. What is the Canadian milestone in this?
A. Coins are issued in the same way as it was
military coins.
Q. My word?
A. No, sir.
Q. Published in Canada or where?
A. By the
Ministry in charge in Canada.
Q. Was published in the Bailey's Mews?

the industry in Great Britain.

Q. So that what is the objection to producing this information --

THE COMMISSION: Can you not get a better idea of what the information was?

Q. Was this an application by the English industrialists for modification of the tariff in there favour? Yes or no? A. I presume in essence that is what it was.

Q. Yes or no -- that is what it was? A. In essence, yes.

Q. I suppose your association did not want the English request granted; you were opposing it, were you? A. We were opposing it to the extent we were prepared to put all the facts before the Commission.

Q. You were opposing it? You did not say, "yes, go on, lower the tariff"? A. No.

Q. Now then, in order for the Tariff Board to make up its mind as to whether or not that application should be granted it was necessary to find out the costs of production in England and the cost of production of the same goods in Canada? A. Correct, sir.

Q. The reason why you got your information was to show, I suppose, that the cost of production in Canada is greater than in England? A. Well, we got the facts.

Q. That is the case, that is what the issue was between you and the English industrialists, as to your respective costs of production? A. Yes.

not industry in Great Britain.

Q. So that what is the objection to producing this information --

THE CHAIRMAN: Can you not get a better idea of what the information was?

Q. Was this an application by the Bog Iron Industrialists for modification of the tariff in their favour? You or not - A. I propose in response that is what it was.

Q. You or no -- that is what it was? A. In response, yes.

Q. I suppose your association did not think the Bogside Company (sic) and the Dominion Iron, were good? A. We were opposing it to the point we were prepared to put all the facts before the Commission.

Q. You were opposing it? You did not say "yes", do you, lower the tariff? A. No.

Q. Now then, in order for the Tariff Board to make up its mind as to whether or not that application should be granted it was necessary to find out the costs of production in England and the cost of production of the same goods in Canada? A. Correct, sir.

Q. Now suppose the Board came to the conclusion to show, I suppose, that the cost of production in Canada is greater than in England? A. Well, we got the facts.

Q. What is the case, that is what the issue was between you and the English Industrialists, as to comparative costs of production? A. Yes.

Q. You gathered your costs to show what you could in your own favour; that is what it was? A. That is correct, sir.

Q. Go on now, Mr. McRuer -- now then, having submitted these costs to the Tariff Board this witness apparently thinks he cannot submit them here.

MR. McRUER: Yes. Is that your position --

BY THE COMMISSIONER: Q. Now then, am I to get your costs of production? A. We are quite prepared to co-operate and give you costs of production.

Q. Are you giving me different sets of costs of production than the ones you gave to the Tariff Board? A. No, sir, that is not correct.

Q. I do not very well see the nature of your objection.

BY MR. McRUER: Q. What would be the difference if we go to the individual factories that put in these returns and get the costs of production, and if we go to you and say, "what did they say to you were their costs of production"? In what way could they be injured by pursuing the latter course?

A. I don't quite follow that. I have not got that question.

Q. There are two ways we can do it. One is to go to the individual factory that put in the returns to you? A. Correct.

Q. And we can say to them, "give us your costs of production"? A. Right.

Q. The other course is we can go to you and say

"what did they say to you were their costs of production". In what way are they injured if we pursue the latter course? A. I don't think in any way. I don't think they will be injured in the slightest degree. It isn't that I don't want to produce these documents. I think the law -- I am not a lawyer -- I think the law is that I will be responsible.

Q. Well, we will leave the law to his lordship. A. We have an eminent jurist here, and what is fair and right --

BY THE COMMISSIONER: Q. Have you anybody here to advise you, Mr. Hallam? Have you anybody here to advise you as to that? You are taking the law in your own hands? A. I agree with you, sir; I should not do it.

Q. Have you any advice? A. I have my own personal lawyer here.

Q. Where is he? A. It is Major Moss.

MAJOR MOSS: I am here.

THE COMMISSIONER: Do you appear for this Institute?

MAJOR MOSS: No, no, I do not appear for the Institute at all.

THE COMMISSIONER: Then you are not appearing as far as I am concerned.

MAJOR MOSS: My presence here, if you will permit me, my presence in Montreal is simply by reason of my capacity as personal legal advisor to Mr. Hallam.

THE COMMISSIONER: Then, you appear here for Mr. Hallam?

MAJOR MOSS: Yes, my lord.

"was did they say to you were their words of prod
In what way are they injured if we pursue the lawf
course? A. I don't think in any way
I don't think they will be injured in the slightest
degree. It isn't that I don't want to produce the
documents. I think the law -- I am not a lawyer
I think the law is that I will be responsible.
Q. Well, we will leave the law to the lawyers
A. So do we on behalf here, and what is right
and -

BY THE COMMISSIONER: Q. Have you authority from
advise you, Mr. McLiam? Have you anybody here to
advise you as to that? You are relying this law i
your own hands? A. I agree with you, sir; I
should not do it.

Q. Have you any evidence? A. I have no
personal knowledge here.

Q. Who is he? A. He is a major here.

MAJOR ALLEN: I am here.

THE COMMISSIONER: Do you answer for this lady

MAJOR ALLEN: No, sir. I do not answer for the
institute at all.

THE COMMISSIONER: Then you are not supporting
for as I am concerned.

MAJOR ALLEN: No reason here. If you will pa
. My province is limited to simply by reason of
it is as personal legal adviser to Mr. McLiam.

THE COMMISSIONER: Mr. McLiam, I am appear here for
McLiam?

MR. LAMONT: Yes, my Lord.

THE COMMISSIONER: What is the name?

MR. McRUER: Your initials, Mr. Moss?

MAJOR MOSS: Thomas Moss.

BY MR. McRUER: Q. Well now, you are satisfied to have all your other files opened to the inspection of the Commission, and the staff of the Commission? A. That is what is actually being done at the present time.

Q. You are satisfied? A. Yes, that is what is being done.

Q. Pardon? A. That is being done at the present time.

Q. Please, Mr. Hallam -- A. In one sense, satisfied --

Q. Mr. Hallam, have you the capacity to answer a question I put to you directly? I say are you satisfied to have all the other files opened to the investigation of the Commission and its staff? A. I have no objection to it.

Q. You have no objection to it? A. Right.

Q. When I say all the other files I mean all the files except those that you have mentioned which are labelled, I take it, Tariff Board files? A. Some of them are labelled and some are not labelled.

THE COMMISSIONER: Referring to costs of production.

BY MR. McRUER: Q. Referring to costs of production? A. Referring to costs of production.

Q. Are there other matters in the Tariff Board files that are mentioned other than those referring to costs of production? A. Oh, there is

correspondence, naturally there is correspondence.

Q. Are you objecting to us having access to that? A. As long as it refers to the correspondence on costs I should think so. I would like to get advice on that.

Q. Well, alright; I just want to get down to it because I don't want any quibbling about it afterwards. A. You will understand, Mr. McRuer, that I am in a dual capacity, that is, my personal position, as between myself and my members and between myself and the Commission.

Q. I brought the president here for that very purpose and I am going to call him. That is all, Mr. Hallam, just now. Mr. McDougall.

WILLIAM MacDOUGALL, sworn.

EXAMINED BY MR. McRUER:

Q. Mr. MacDougall, you are president of the Silk Association of Canada? A. Yes, sir.

THE COMMISSIONER: President of what?

MR. McRUER: The Silk Association of Canada, my lord.

Q. How long have you been president of that association? A. About a year and a half.

Q. And was that at the time it was formed or had there been someone president before? A. No, it has been formed a number of years prior to that.

Q. Have you been on the executive for some time?

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contemporaneous. Naturally, this is a contemporaneous.

Q. Are you objecting to my having access to the

A. As long as it refers to the correspondence on con-

I should think so. I would like to get advice on

this.

Q. Well, alright; I just want to get down the

because I don't want any quibbling about it afterwards.

A. You will understand, Mr. Mount, that I am in a

anomaly, that is, my personal position, as between

myself and my employers and between myself and the

Commission.

Q. I brought the president here for that very

purpose and I was going to call him. That is all.

Mr. Tailon. Just now. Mr. McDougall.

McDougall, Mr. M. Donald:

Q. Mr. McDougall, you are president of the

Association of Can def? A. Yes, sir.

What is Service Men: Presidents of what?

Mr. Mount: The Milk Association of Canada.

Q. How long have you been president of that

association? A. About a year and a half.

Q. And was elected at the time it was formed?

A. Yes, sir.

Q. Have you been on the executive for some

(Mr. McDougall)

A. About a year prior to that, or two years previous.

Q. What was the purpose of the formation of the Silk Association? A. An Association in order to promote the best interests of the industry.

Q. Well, that is fairly general? A. I don't know as I could give you any more than that.

Q. Well, did you not have any ideas in your head as to how you were going to promote the best interests of the industry when you organized this Association? A. Well, I didn't organize it.

Q. I might ask you this: What is the purpose of keeping it going now ? A. To assist and have a spokesman to represent the industry as a whole.

Q. Where? A. Naturally in Canada.

Q. Well, a spokesman to represent the industry as a whole, where is he to talk? A. On the various problems that come up from time to time, in connection with government regulations and one thing and another; these matters are discussed; that is supposed to be the general operation, or general principles of operation of the Association.

Q. Would it be proper to say that one of your objectives is for united action in regard to tariff matters? A. Possibly that might be correct.

Q. And the presentation of the subject of costs, if the case arises? A. I think that would be quite correct.

Q. Yes, and to see that a uniform statement

of costs was made on behalf of this industry?
A. I would like to say, that I don't know sufficient about that.

Q. As President of the Association, you do not know whether that is one of their objectives?
A. I don't see how it would be possible, because I think that every mill has its own method of computation of costs, and I don't know as there is any such thing as a general costing system.

Q. Yes, but in the presentation of the costs at any time to the Tariff Board, does your Association present individual costs? A. I do not know that.

Q. Even x individually or collectively?
A. I don't know that, I cannot tell you.

Q. Well, as far as the Association is concerned have you, as President, any objection to this Commission and its staff having full access to all the files of this Association? A. I would say as long as I have the authority to order the Secretary to produce those documents, why, it might be perfectly all right. I would say, however, that they were given in confidence, because those figures were, as I understand it, gathered and given in confidence.

Q. What figures? A. These cost figures that you speak of.

Q. On what? A. Whatever the subject was, cloth, or material, whatever it was that was under discussion.

of course was made on behalf of this industry?

A. I would like to say, but I don't know anything about that.

Q. As President of the association, you do not know whether that is one of their objectives?

A. I don't see how it would be possible, because I think that every mill has its own method of computing of course, and I don't know as there is any such thing as a general costing system.

Q. Yes, but in the presentation of the owners at any time to the Tariff Board, does your association present individual cases?

A. I do not know that.

Q. Even a individually or collectively?

A. I don't know that, I cannot tell you.

Q. Well, so far as the Association is concerned have you, as president, any objections to this information and is staff having full access to all the files of this association?

A. I would say as far as I know the [illegible] to produce these documents, any, it falls in [illegible] all right. I would say, however, that any [illegible] in confidence, because those figures we, as I understand it, gathered and given in confidence.

Q. Just figures? A. These cost figures that [illegible].

Q. On what? A. Whatever the subject was, cloth, or material, whatever it was that was under discussion.

Q. You are in the Silk Association now? A. Yes, sir.

Q. Well, just let us deal with it at the moment. A. That is what I am trying to do.

Q. What cost figures would you suggest would be in the possession of the Secretary of your Association? A. I presume any that were asked for in order to make a comparison at any time with cloths or with costs between the two countries, or different countries.

BY THE COMMISSIONER: Q. Does the Silk Association embrace only silk manufacturers? A. Yes, sir, it is supposed to, but I don't believe at the present time that the Artificial Silk Industry are active members of the Association. I am not positive about that.

BY MR. McRUER: Q. Well, what is your company? A. Belding-Corticelli.

BY THE COMMISSIONER: Q. Are you President of the Belding-Corticelli? A. No, sir, vice-president.

BY MR. McRUER: Q. Is it real silk that you deal in or use in your manufacture? A. Well, we deal in real silk and artificial silk; we do not make cloth of any description.

Q. You just make threads? A. Threads and tapes.

Q. You make artificial silk threads? A. Yes, sir.

Q. When did you start making artificial silk threads? A. Oh, 25 years ago, I guess.

Q. I see, and you have been in that business of making artificial silk threads, as part of your business at any rate, since then? A. Yes, sir.

Q. You are in a silk manufacturing business?

A. Yes, just as a real silk is not manufactured. That is what I am trying to do.

Q. Some years ago you argued that in the economics of the economy of your country, I presume any unit were valued for in order to a comparison at any time with those of silk coming between the two countries, or different countries.

MR. [illegible]: Q. Does the silk manufacturer only [illegible]?

A. I do. It is supposed to, but I don't believe it has done that in the artificial silk industry and [illegible] manufacture of the [illegible]. I am not quoting [illegible]

MR. [illegible]: Q. Well, was is your [illegible] [illegible]?

MR. [illegible]: Q. Is it real silk that you do [illegible] or are in your manufacture? A. Well, we deal in real silk and artificial silk; we do not make [illegible] of any description.

Q. You just mix them? A. Sometimes and [illegible]

Q. You make artificial silk thereby? A. [illegible]

Q. Have you ever seen artificial silk [illegible]

A. No, no yarns made. I guess.

Q. I see. Do you have in mind that [illegible] making artificial silk threads, as part of your [illegible] at any rate, since then? A. Yes, sir.

Q. Now, has your company been called upon to submit costs to Major Hallam? A. No, sir.

Q. You have not submitted any? A. No.

Q. He has not called on you for any? A. No.

Q. Well, I am wondering, so far as the Silk Association is concerned, I suppose there could be various files? A. I am not concerned with them.

Q. At any rate, Mr. MacDougall, you are taking the position that if there is no legal objection to the files being examined, you are not objecting? A. Absolutely not. Naturally, our members, I think, should be consulted, because that information was given by them to the Association it was given in confidence.

BY THE COMMISSIONER: Q. In confidence by one member in respect of the other members? A. Given to the Association in confidence, knowing that it was only to be presented to the Tariff Board.

Q. And that one member would not know what the other member had? A. Yes, my lord.

BY MR. McRUER: Q. As far as I can see, that would be the only objection. There could not be any objection to the Commission seeing these things? A. Not at all.

Q. Your industry desires, however, that one competitor does not have access to the other competitor's records? A. Quite true.

Q. I can see that position, but I cannot see what

Q. Did you ever engage such helper upon the ...
duties as right helper? A. No, sir.

Q. You never did engage such help? A. No.

Q. Do you not relied on your foreman? A. ...

A. Well, I am wondering, so far as the ...
consideration is concerned, I suppose that would ...
return fight? A. I am not concerned with the ...

Q. At any rate, Mr. McDonnell, you are ...
the question that if there is no legal compulsion ...
the fights being conducted, you are not responsible?

A. Absolutely not. Personally, our members ...
and, should be mentioned, because the ...
a time was given by them to the Commission it was ...
given in confidence.

Q. Did the Commission, in confidence by ...
member in regard of the other witnesses? A. ...
to the Commission in confidence, knowing that it ...
may be presented to the Public Board.

Q. And the member would not know the ...
other member has? A. Yes, by inference.

Mr. McMillan: A. As far as I can see, that ...
would be the only objection. There could not be ...
any objection to the Commission due to those ...

A. Not at all.

Q. Your honourary director, however, as I see ...
respective ... not have access to the other ...
witnesses? A. ...

argument there is to the Commission getting the facts.

A. I don't think there should be.

Q. And you agree with me on that? A. Absolutely.

Q. Thank you very much, Mr. MacDougall?

A. You don't require me further at the present time, Mr. McRuer?

MR. McRUER: I think not, Mr. MacDougall. Thank you.

--

HERBERT W. LUNDY, sworn,

EXAMINED BY MR. McRUER:

Q. Mr. Lundy, you are President of the Woollen and Knit Goods Association? A. Yes.

Q. And you are connected with Penmans Limited? A. Yes.

THE COMMISSIONER: With who?

MR. McRUER: Penmans Limited.

THE COMMISSIONER: Connected with them, in what way?

BY MR. McRUER: Q. In what capacity, Mr. Lundy? A. General Manager.

THE COMMISSIONER: He is President of what?

MR. McRUER: The Woollen and Knit Goods Association.

Q. And the Woollen and Knit Goods Association, I take it, is a voluntary association? A. Yes.

Q. And how long have you been president of that association? A. About one and a half years, as far as I remember.

Q. Who was president before you? A. A Mr. Barrett.

Q. Where does he live? A. In Toronto.

Q. What company is he connected with? A. Dominion Woollens and Worsteds Limited.

Q. Now, have you, as President of your Association, any objection to the Commission and its staff having access to the files of the Association? A. All the files?

Q. Yes? A. No objection to them having access to anything that is legally producible, sir.

Q. I see. As far as the files are concerned you, I take it, are putting it on the same ground as Mr. MacDougall has just done, if there is nothing illegal about the Commission having access to them you are satisfied that they should have access? A. Exactly. We are willing to have anything produced that is legally producible.

Q. Well, what do you mean by "Legally producible?" A. Well, according to law. I am not a lawyer, sir.

Q. You mean that you are not waiving any rights that you might have to stand on legal technicalities to refuse to produce them, or do you mean that you do not want to put yourself in the position of being anything illegal in producing them? A. The latter, sir. I do not wish to put myself there I realize as being

anything illegal in instructing Major Hallam to produce those files.

Q. Well, I see. That is fair enough, Mr. Lundy. I do not want you to be put in the position of doing anything illegal, either. Can you tell us anything about these tariff board files, for what purpose they were prepared? A. I believe there are such files, sir. I have never seen them, and have never had access to them.

Q. Did Penmans Limited submit any reports to them at all? A. No, sir.

Q. Well, there was a Woollen Inquiry before the Tariff Board some time ago? A. About two years ago, I believe.

Q. Well, did Penmans Limited submit their statement to the Tariff Board? A. Knitted goods were not under discussion at that time, sir.

Q. Knitted goods were not under discussion? A. No.

Q. And the Knit goods have not been under discussion? A. No, sir.

Q. So that, insofar as the Woollen & Knit Goods Department is concerned your Association cannot have any files that pertain to any inquiry before the Tariff Board? A. Well, I presume there are files relating to the hearing on the woollen piece goods.

Q. Files relating to the hearing on woollen piece goods? A. Yes, the inquiry of about two years ago.

Q. Does this association embrace manufacturers of woollen piece goods as well as woollen knit goods? A. That is really the meaning; woollen relates to those manufacturers who produce woollen and worsted piece goods.

Q. Now, you have just put it fairly, that you do not want to do anything illegal in ordering documents to be produced by Major Mallam? A. Exactly.

MR. McGUIRE: All right, Mr. Lundy.

Now, my lord, I ask your lordship to make me a ruling that the Commission should have access to these documents, and in respect to costs of individual manufacturers that at the present the same confidence be retained as has been preserved in regard to those companies that have submitted their costs. Your lordship, has ruled, so far, that they be not dealt with publicly so as to reveal exactly what the costs are, and that they be kept from one competitor seeing what another competitor's costs are.

THE COMMISSIONER: Will you read me that section, Mr. McGuer?

MR. LUNDY: Mr. McGuer, if you willpardon me, I made a mistake, and I would like to make a correction.

MR. McGUER: All right, Mr. Lundy.

MR. LUNDY: At the time that the Woollen Piece Goods Tariff Inquiry was under way, Major Mallam has reminded me that we did submit two or three costs. We have a very small business in woollen piece goods.

and it had escaped my memory at the time, but we did submit two or three costs at that time.

BY MR. McRUER: Q. I suppose, as far as your company is concerned, you have no objection to us having these? A. No, sir.

Q. So that you are not taking that objection on behalf of your company? A. No.

MR. McRUER: All right, thank you.

--

MR. McRUER: Section 5 of the Tariff Board Act, my lord, provides:

"5 (1) The Board shall have the power of summoning before them any witnesses, and of requiring them to give evidence on oath, or on solemn affirmation if they are persons entitled to affirm in civil matters, and to produce such documents and things as the Board deem requisite.

"(2) The Board shall give reasonable opportunity to persons who may not have been summoned, to appear before them and give evidence upon oaths or solemn affirmation as aforesaid, on any matter relevant to an inquiry then being held by the Board."

Then sub-section 9:

(9) For the purposes of any inquiry under this Act, the Board may obtain information, which in their judgment is authentic, otherwise than under the sanction of an oath or affirmation,

and use and act upon such information."

Then sub-section 10:

"(10) Should evidence or information which is in its nature confidential, relating to the business or affairs of any person, firm or corporation, be given or elicited in the course of any inquiry, the evidence or information shall not be made public in such a manner as to be available for the use of any business competitor, or rival of the person, firm or corporation, respectively, but this sub-section shall not apply to an inquiry under sub-section three of section four of this Act. Any person who violates any of the provisions of this sub-section shall be guilty of an offence and liable, on summary conviction, to a penalty not exceeding one thousand dollars or not more than twelve months' imprisonment."

And Section 6:

(6) Whenever a report has been made under this Act, a copy thereof and a copy of the evidence, if any, taken, and of the information obtained (except such evidence and information as was of a confidential character under sub-section ten of section five hereof) in connection therewith shall be laid before Parliament by the Minister within fifteen days after the opening of the next session thereafter, or within fifteen days after the making of the report if Parliament is

then in session."

THE COMMISSIONER: Pardon me, Mr. McRuer, when you read the section about the evidence, there is an exception mentioned, under a certain section or sub-section?

MR. McRUER: Yes, my lord; that is sub-section 3 and of section 4 of the Act. Subsection 3 of section 4 reads:

"(3) The Board may be empowered by the Governor in Council to hold an inquiry under Section fifteen of the Customs Tariff, in the same manner as the Judge of the Exchequer Court or any other judge therein referred to may be so empowered, and the said section shall include and apply to the Board as if it were therein expressly named."

THE COMMISSIONER: In that case then there is no confidence?

MR. McRUER: No, my lord.

THE COMMISSIONER: In respect to evidence?

MR. McRUER: That is under the provisions of Section 15 of the Customs Tariff, and Section 12 is the one that provides for an investigation to determine whether there are combinations detrimental to the public.

THE COMMISSIONER: Yes, under the Combines Act.

MR. McRUER: Yes, there is a special provision under the Customs Tariff Act for an investigation

by an Exchequer court judge --

THE COMMISSIONER: As to combines?

MR. McRUER: Yes, my lord.

THE COMMISSIONER: But there is no secrecy in regard to that.

MR. McRUER: There is no secrecy in regard to that, my lord.

Now, in regard to documents of the character that we are referring to here, we have not reached the confidential stage, I submit, my lord. This Act merely says that,

"They shall not be made public in such a manner as to be available for the use of any business competitor, or rival of the person, firm, or corporation;"

I am not asking them to be made public so that they may be available for the use of competitors, or rivals. I am taking that we have them for our Commission, and then as to whether they should be dealt with in a proper way later on, we can argue that later on.

But I submit that, in the first place, the documents I want are, in no sense, evidence given before the Tariff Board; they are, in no sense, information elicited under the provision of this Act, because this Act provides two ways, one, to give the evidence under oath, and the other, the Tariff Board going out and eliciting evidence themselves.

Now, those documents, in no sense, come within

that category whatever.

THE COMMISSIONER: Well, the documents you refer to specifically are documents furnished by the different members of this association to Major Hallam, as secretary?

MR. McHUGH: Yes, my lord.

THE COMMISSIONER: In order that he, in turn, might produce them before the Tariff Board?

MR. McHUGH: He might produce them, or not. He might produce a case before the Tariff Board. Sub-section 9 is quite clear:

"(9) For the purposes of any inquiry under this Act, the Board may obtain information, which in their judgment is authentic, otherwise than under the sanction of an oath or affirmation, and use and act upon such information."

Now, there are two things, one, is evidence given before the Board; and the other is, information obtained by the Board in that way.

Now, the Board has not got this as evidence; it has not got it as information obtained by the Board under sub-section 9 of section 5, my lord.

THE COMMISSIONER: Show me the Act, please. Has any body else anything to say?

MR. MOSS: My lord, you remarked earlier this morning that you could not see me.

THE COMMISSIONER: You see, this is a case where parties are represented by counsel. This is a general inquiry, and everyone who comes along and has

anything to say may be represented by counsel. Now, you have told me that you are acting as advisor to Major Kallam, and he says it is on your advice that he refused to do certain things that Mr. Kehuer wants done, and now Mr. Kehuer is asking me for an order, and showing me reasons why, in his opinion, I should make an order, to have this evidence produced. Are you opposing that?

MR. MOSS: Well, my lord, I thought that possibly I could assist the Commission, and possibly assist the inquiry generally, if I just said a few words explaining Mr. Kallam's position, and the advice that I had felt ought to be given to him. The position is quite concrete, quite clear-cut. What I say to your Lordship is, that I do not think that any order should be made by your lordship as to the production of documents which are, in fact, or in law, covered by sub-section 10.

(Page 2050 follows)

The thing seems to resolve itself into a question as to whether certain documents on the files of the Primary Institute or in the custody of Mr. Hallam do in fact come under an interpretation of Section 10, and I think that your lordship will agree - and I think Mr.McRuer will agree - that insofar as documents do come within the meaning of that section that then Mr. Hallam could produce them without any danger of falling under the penalties provided in that section. Therefore your Lordship seems faced immediately with the question of deciding whether or not those copies, those files, in Toronto do come within the provisions of that section. Now, as to that my position is simply this: It is quite plain from Mr. Hallma's evidence that no matter from whom that information was obtained or in what manner it was obtained it was first of all obtained at the request of the Tariff Board and, secondly - and I think this is a fact and in any case my objection only goes so far as this - secondly, although that information there is copies of what in fact has been put before the Tariff Board already - it has either been put before the Tariff Board already or as far as part of it is concerned it is before the Tariff Board now and is being considered by them in relation to some inquiry in regard to the wool tariff. Therefore I say, first of all, that our objection only goes to these documents which are in law covered by interpretation of that Section 10

The thing seems to resolve itself into a question
[illegible]
Institute or in the custody of Mr. Hallam do in fact
come under an interpretation of Section 10, and I
think your lordship will agree - and I think Mr. Hall
will agree - that insofar as documents do come within
meaning of that section that Mr. Hallam could
produce them without any danger of falling under the
penalties provided in that section. Therefore your
lordship sends those immediately with the question
deciding whether or not those copies, these files,
[illegible]
Now, as to that my position is simply this: It is
quite plain from Mr. Hallam's evidence that no matter
from whom that information was obtained or in what
[illegible] it was considered in the first of all obtained
[illegible] of the Tariff Board and, secondly - and
I think this is a fact and in any case my objection
[illegible]
[illegible] put before the Tariff Board already or as far
as part of it is concerned it is before the Tariff
Board now and is being considered by them in
relation to some inquiry in regard to the wool tariff
Therefore I say, first of all, that our objection
[illegible]

and, secondly, that in fact all the documents which we have refused to produce are documents which fall within that section. That brings me to this remark, my Lord, that it is a mystery to me why my friend is trying to get this information in this way. All the information covered by my objection is now on file with the Tariff Board and it is before the Tariff Board in much better form than it is on the files of the Primary Institute. If my friend wants that information, and that information is legally producible, he has only to go to the Tariff Board and ask them. If the Tariff Board or the Ministry of Finance thinks that under the Tariff Board Act he can give that information to this Commission he will do so, and I submit, my Lord, it is not a dilemma in which you should place Mr. Collins or probably the Institute - place them in the dilemma of possibly incurring those penalties when my friend can obtain them without placing a private citizen in such a position. If these are properly producible under interpretation of this section of the Tariff Board Act - they are already available to my friend in a much more direct fashion, and I fail to see why he should attempt to obtain in an indirect fashion, what probably has been on evidence and does not wish to try to obtain in a direct way.

MR. COMMISSIONER: Has anybody else anything to say? It seems to me when this question was raised once before that Mr. Lamont - - -

MR. LANGLOT: I have no mandate to discuss this question. I discussed it when it came up at Wabasso and I cannot add anything to what I said then, quoting the law.

THE CHAIRMAN: Well, if nobody else has anything to say I have to dispose of it. It comes down to this: One of the things that I must ascertain as a very essential part of this inquiry is the costs of production. That stands out very prominently.

Now, I do not understand then, according to what Mr. Langlot said, that either his institute or by the silence of other counsel, that any particular branch of this industry refuses or objects to producing to me its costs of production. That is right? As a matter of fact the Wabasso Company has already furnished me with a statement of its costs of production. Now, I am aware that heretofore the costs of production furnished by an industry of this sort has always been considered as confidential. The matter has been discussed in Parliament on various occasions, and the result always has been that it has been felt justifiable not to allow the costs of production of a Company of an industry to be made available publicly to its competitors in Canada or to its competitors outside of Canada. That being the case, whenever I do receive the costs of production of a Canadian company I intend to treat those costs as a confidential matter for the purposes of my inquiry, but, of course, they will form part of the evidence in this case.

They will be exhibits in this case and they will be attached to my report when it is made and, therefore, they will go from me to the Government as part of the substantial evidence upon which my report is based. Once they are in the hands of the Government, well then the Government, of course, will take its responsibility as to what it will do as to those various individual costs of production and the Government's responsibility will be to Parliament and Parliament and the Government will have to decide for themselves what is going to become of the evidence which I am to obtain in that way/ ~~xxxx~~ on this inquiry, but I think I am making it clear that so far as I am concerned, after having given the matter much consideration since the point was first raised, I am taking this evidence now and from now on and using it in the way Mr. Fraser suggested for my own purposes and not for the purpose of public discussion. Now, that being clear I think after all it is the very same principle that is found embodied in this sub-section 13 of section 8 of the Tariff Board Act. When your companies appear before the Tariff Board you cannot refuse to give this evidence but you must give it. But then, if in its nature it appears to be confidential - and as I say, I understand that evidence of the costs of production of a firm is considered to be of a confidential nature, then the restraint of the act is simply this: that it must not be made public

in such a manner as to be available for the use of any business competitor or rival of the person, firm or corporation. The Tariff Board cannot make it public in such a way as to expose the person furnishing it to unfair competition or a business rival or firm or corporation. Therefore I say that this company that is interested here is compellable to furnish me with this information. There is no legal restraint on me as there is in the case of the Tariff Board to keep this private, but I intend to do so and I have told you why. I intend to treat it the same as the Tariff Board would except this that it must be annexed to my Report when it goes in. I think in the case of the Tariff Board they send their report in and it goes there, although the report is not placed on the table of the House of Commons, which is another matter. Even though in that case, this whole sub-section 13, which provides for secrecy insofar as the public is concerned, does not apply to certain inquiries under the Customs Act because it says this sub-section, which requires this evidence to be treated confidentially, shall not apply to inquiry under sub-section 3 of section 4 of this act. I am not going that far. I intend, and I think it is proper and the best policy, to treat this evidence as I have told you. Now, that being the case I must get the evidence and I must say that I do not think any company is going to tell me here that it intends to give me a different set of figures or shall give me a different statement of

its costs of production other than what it showed the Tariff Board. I cannot imagine any such thing as that. Mr. Lemaer thinks it wise to ascertain what each of these particular members of the Institute gave to Mr. Mallam as their costs of production in order that he might in turn make a submission for them to the Tariff Board. I do not see any reason at all why I should not have access to that information. I do not intend, as I told you, to make it public in such a manner as to be valuable to the use of any business competitor or rival or firm to the person furnishing it. For the purpose of comparison each company will present to me here a statement of its costs of production. Mr. Lemaer knows that the same company presented to Major Mallam its costs of production and there is no reason why they should not be compared and verified one with the other, and so long as the safeguard of privacy surrounds them I cannot see any reason why anybody should object to its production. For that reason, Mr. Lemaer I think you are entitled to its production, and if any further obstacle is thrown in your way you can make a further application to me.

MR. MOSS: May I speak for one minute? I presume that the formal order of the Commission will contain a provision that these documents and this information shall not at any time be made public or be available. I simply ask that as a protection.

THE COMMISSIONER: I do not know what you mean. When you submit these documents to the Board I do not

know whether the Board makes order or puts anything of that nature in its order. It is the act that binds the Board. The act says you must not make them public in such a way as I described. Now, I say I intend to consider myself bound in the same way as the Board. When you submit the evidence here it will be treated in that respect. I do not think I am called upon to make any formal order yet unless Mr. Dehner needs one.

MR. ROSS: I understand now. It is only in case that if a formal order is issued that you put in a saving clause to that effect.

MR. KOHNER: Probably we had better have an understanding with Major Mallam now. Is it necessary to make a formal order in view of what His Lordship has said? We do not want to come back again for a formal order. We will have it now if there is going to be any necessity for any formal order.

THE COMMISSIONER: I think probably Major Ross is the party.

MR. ROSS: Frankly I tell my learned friend I don't know at this moment. It is a question that will have to be considered. Major Mallam may perhaps desire to engage senior counsel on that. Frankly, I cannot answer the question. It is a matter which will have to be given consideration. I think that I could undertake to say to the Court within a short time what Mr. Mallam's position will be. I do not want to be understood as saying, my

Lord. That we intend not to obey the order and that sort of things. I am simply saying I cannot at this moment make a definite observation to my friend.

HIS COMMISSIONER: How long ago, Mr. McRuer, did you first request the information?

Mr. McRUER: I think it must be nearly a year now.

HIS COMMISSIONER: Well, time is getting on and unless you get it very shortly let me know and you will have an order.

MR. McRUER: I would ask your Lordship to make a formal order now.

HIS COMMISSIONER: I do make an order ex orally now.

MR. McRUER: Mr. Hallam has gone out and I want him here.

HIS COMMISSIONER: Well, you better call Mr. Hallam back to the bar.

MR. McRUER: Yes.

DOUGLAS HALLAM, recalled, examined by MR. McRUER.

Q. Are you prepared now, in view of what His Lordship has said, to produce these documents, all those Tariff Board records that you have in your possession in respect to these various companies? A. I presume - I do not know whether I am convened or not yet. I presume if Mr. Justice Burgess makes an order that that he takes

the responsibility under that matter. I do not actually know.

THE COMMISSIONER: Q. You understand what all this is about? A. Yes, I think I understand what it is all about.

Q. You must have been worrying a great deal about it the last several weeks? A. Yes. I have been worrying a great deal about it.

Q. Now, you are to produce these documents here - I am making that order now, and in doing so you are not producing them in a way that they will become available to the business competitors of any one of those firms that handed them to you -- you understand that? A. Exactly.

Q. I made a statement that I am going to take them under the same terms as the Tariff Board took them from you - do you understand that? A. Yes.

THE COMMISSIONER: Well, I am telling you that I am also telling you to produce them. That is all I can tell you. That is the only form I can put it in. Now, any arrangement you can make with Major Moss about getting such parts of it as you want, it will be a matter of expediency.

MR. McRUER: I have tried all through to do it in the most convenient way to these people.

THE WITNESS: That is quite correct but my position with this matter was a very difficult one. I was in between the devil and the deep sea.

MR. MOSS: I may say I am instructed all through to put as little obstruction in the way of my friend

the responsibility under this motion. I do not

[illegible]

THE COMMISSIONER: Q. You understand the

all this is about? A. Yes, I think I understand

that it is all about.

Q. You must have been working a great deal

about it the last several weeks? Q. Yes.

I have been studying a great deal about it.

Q. Now, you are to produce these documents

here - I am making that order now, and in doing so

you are not producing them if a ruling that they will

become evidence to the business connections of

any one of those firms that refer them to you --

you understand that? A. Perfectly.

Q. I make a statement that I am going to take

them under the same terms as the Court's order and take

them from you - do you understand that? A. Yes.

THE COMMISSIONER: Well, I am telling you

that I am also telling you to produce them.

That is all I can tell you. That is the only

I can put it in. Now, any statement you can

with Mr. Ross about getting such proof on it as

you wish, it will be a matter of arrangement.

MR. MONAHAN: I have taken all through to do it

in the most courteous way to these people.

MR. [illegible] Perhaps the Commissioner has my

position with this matter was a very difficult one

I was in between the devil and the deep sea.

MR. MONAHAN: I may say I am instructed all throu

to put as little obstruction in the way of the [illegible]

Was possible but he has put us on the horns of a dilemma. Either I will have to say to Mr. McNuer that it will be better for him to have a formal order of the Court issued or I shall say to him - we will undertake to obey but I would like a little time.

MR. McNUER: The understanding I have got is that there is a formal order now.

MR. ROSS: When I talk of a formal order - - -

MR. McNUER: There is no such a thing in these proceedings as getting out an order and putting a law stamp on.

THE COMMISSIONER: I just gave an order in opened Court which is effective now, and the reporter has it. I cannot be any more formal than that.

MR. ROSS: I am afraid I had my mind on a document under seal. If your Lordship dispenses with that I shall take it as if that formal order had been issued.

MR. McNUER: Alright, I will see Mr. Ross later.

GEORGE BLAIR GORDON, recalled, examined by MR. McNUER:

Q. When we adjourned yesterday I had been dealing with what information you had before hand on the 14th of January last when you interviewed the Minister of Finance, the Minister of Trade and

Commerce and Minister of National Revenue in Ottawa and you told me I think that you had heard of a quotation that had been sent out on Japanese goods by Fisher and Company and that you caused an inquiry to be made by Brown Silk Co. as to what quotations they could get on certain Japanese goods. A. That is not quite correct because the meaning of the quotations which I think you are referring to, was on specific constructions.

Q. Yes. A. That information had not been received at that time. I think I made that plain yesterday.

Q. Yes, that is my mistake. You told me that was about the first week in February? A. That the information came to hand. Then, when we instituted the proceedings in that connection I could not give you the exact date when it was started, may have been before we sent to Ottawa.

Q. At any rate you had not any answer from the Brown Silk Co. in regard to what the quotations might be up to the 11th of January? A. Not in that particular respect, no. I had seen prices on very similar fabrics as quoted in the New York market.

Q. Very similar fabrics - you had not seen Japanese fabrics? A. Oh, yes.

Q. You had seen fabrics? A. Yes, samples of the fabrics.

Q. You have not any of those today that you had? A. I could readily get them on hand for them or get them at noon.

Q. Have you today any knowledge of any sales having been made on the fabrics? A. In which market, sir?

Q. In the Canadian market. A. On those American constructions?

Q. No, I take it that it was japanese? A. These Japanese construction which I had sent to me from the American market?

Q. Yes. A. I do not know whether they had been sold in Canada.

Q. You do not know yet whether there had been any sales on the fabrics of which you saw quotations up to the 15th of January? A. Well, I am not in a position to know really.

Q. Well, all I am just getting is - that you don't know? A.- Yes, that is right.

Q. And were these quotations that were being made for the American market? A. I beg your pardon.

Q. Were they quotations that were being made for the American market? A. Were they?

Q. Yes, the quotations that you saw. A. Yes, the figures in connection with these samples were quotations being made but what interned c.i.f. New York. That is, they were not the Japanese invoice price, they were the laid down price including cost of shipment and not the duties but the regular charges attending shipments, so that those prices did not reflect/~~xxxxxxx~~ truly the japanese values, and that is why I went further, and made

this other round about, if you like, shall.

Q. You went further and made inquiries through the Brown Silk Co. not the Brown Silk Co. to make inquiries, rather? A. Yes that is right.

Q. I am asking you - were the quotations that you had been before going to Ottawa quotations that were for the American market? A. Well, they would apply equally. Yes, they were quotations to the American market or to the Canadian market for that matter.

Q. They were quotations being made in New York for the American market? A. Primarily, yes.

Q. And in order to sell on the American market they would have to bring them in and sell them after having paid the Customs duties prevailing in the United States. A. Yes.

Q. And do you know whether these goods were being sold in the American market at that time? A. Under oath I could not say that they were being sold, no. I presume some of them were being sold but I have no direct knowledge.

Q. The point I am getting at is - what knowledge you had on the 16th of January last? A. I had the knowledge that Japan was in a position to make these fabrics.

Q. Well, I am talking about that? A. I am trying to tell you that knowledge I had when I went to Ottawa.

Q. I am talking about what quotations you had and then we will deal with your knowledge of Japan. Insofar as the quotations were concerned you had a memo or something sent out by Fishers and you had some quotations from the American market? A. Yes.

Q. But no knowledge as to whether they were able to sell the goods in the American market with the prevailing tariff in the United States that existed there at that time? A. Well, that is rather a broad statement. I cannot subscribe to that.

Q. Is it correct or not - you had? A. Well, there are so many angles to this thing that you cannot expect me to subscribe to a particular point you raise without taking into consideration the relevant circumstances.

Q. I do not want you to. In respect to the quotations that you got from the American market had you any knowledge as to whether they were able to sell the goods in the American market at the prices they were quoting there and whether they were selling them? A. I think I have answered that to the best of my ability; I cannot say under oath they were selling those goods. I would think it is very reasonable to expect that the goods were being sold and the prices were - - -

Q. Yes, at the 18th of January you had made no inquiry to find out whether they were selling the

goods in the American market at the quotations that were in your possession at that date?

A. No, that particular point probably did not been covered.

Q. Did you or did you not realize at that time that the American Customs tariff was higher on these goods than the Canadian Customs tariff that was prevailing as the 15th of January?

A. Well, that was not the way Mr. Hooper put it. We were told that the American Customs tariff was lower.

Q. I beg your pardon, you are quite right - that the protection in any case afforded the American manufacturer was lower in the United States than it was in Canada at the 15th of January - did you realize that on the 15th of January? A. Well, that is a very broad question. I know I probably realized it in certain specific instance the tariff would work out higher and in others lower. It all depends on the fabrics you manufacture.

Q. In respect of the ones you manufacture at Sherbrooke? A. They would have to be figured out specifically on their weights. This specific duty made a great difference in the tariff. You took one specific yesterday but I would not say that represents the story by any means.

Q. Yes, but the goods being manufactured at Sherbrooke were heavier than the goods manufactured in other mills - they were 4 yards to the pound

down there. A. No, they are a little lighter than 4 pounds and they vary between one and another.

Q. The very ones that were on the loom at the time the mills was closed were goods that were between 4 and 5 yards to the pound? A. Yes.

Q. So that the specific duties prevailing in Canada would apply higher than on lighter goods? A. Yes, but are you comparing these with similar goods in the States?

Q. You raised the question that we had to take the specific duty into consideration? A. In comparing similar American and Canadian fabrics, and I said it made a difference which particular fabrics you selected. Q. If you select these particular fabrics at Sherbrooke you are referring to and take similar fabrics in the United States you will find a higher specific duty in the United States than in Canada and makes a difference in light goods.

Q. Well, did you make any inquiry to determine whether the goods that were being manufactured at Sherbrooke were similar in texture and quality and price to the Japanese goods that were being quoted on the American market? A. Yes, those goods were very carefully analyzed.

Q. The ones that were being quoted on the American market? A. Yes.

Q. Did you make any examination or figure at all to find out whether the goods that were being quoted on the American market that were similar to

the goods that were being manufactured at Gerrards were being sold on the American market? Q. I answered that a while ago.

Q. Did you figure to find out whether the tariff or the protection afforded the American manufacturer on these specific goods or goods of that specific type was higher or lower than that prevailing in Canada? A. I do not think I did because I do not use even now how it was pertinent to the situation.

Q. Would not it be very pertinent in determining whether you are going to have any actual japanese competition on that particular line of goods to know whether they had been able to compete in the United States? A. There are many conditions in the United States that you perhaps have not taken into consideration and you do not know of.

Q. I am asking you whether that would not have been a pertinent thing to inquire about before you took any drastic action of any kind in Canada?

A. We will come to the drastic action part but so far as that goes the conditions in the United States and here were quite different and any particular set of circumstances that obtained in the United States because of the conditions there would not apply particularly to our conditions here.

Q. You realize that sugar is higher in the United States than it is here? A. What do you mean by that?

Q. The price higher for the same type of goods?

A. Not in every case, no.

Q. Well, in the case of these goods of the same type as were being manufactured at Cartwright, with equivalent specification or class and kind, the prices higher per yard in the United States than it is here? A. I do not think there has been any definite evidence given on that point.

Q. I am asking you? A. You are asking me?

Q. Whether you know? A. I know on uncertain particular fabrics the price is higher in the United States and in others a good deal lower. It depends on what fabric you are going to deal with. You say Cartwright fabrics. Now, which one?

Q. I will take the four of them. There were four being handled down there. There was one of them of which we gathered there was an order to discontinue on account of Japanese competition, I thought it was. That was the bill, was not it? A. I think you have in mind bad, we called taffeta. That is that you have got the impression from, from the name - - -

Q. No, I got it from Mr. Carnaw's evidence that you had ordered the mary to run out on it, on the bill - that is correct? A. Yes. that is the style that was running out.

Q. Did you order it run out on account of probable Japanese competition in the article? A. Let me think that over.

Q. I do not think it would need long thinking over. You must have allowed it to run out for some purpose or another, and that is in the past

and not in the future. A. Yes, I think that would be a fair statement. We had a very large stock on that particular cloth.

Q. And why is it you put it, after you think it over, you think it would be a fair statement that you ordered it to run out? A. Because you try to tie up Japanese competition and order given to mill on a particular fabric in one breath.

Q. I don't want - - ? A. I was actually thinking of the situation.

Q. I do not want to tie it up in any way. If you had a large stock of that goods on hand and you thought fit to change to something else - - A. Yes, our position on that fabric was particularly vulnerable, if you like.

Q. But were you going to say anyone whether tariff changed or not on that particular goods? A. As Mr. Hooper says, I am not a prophet - I could not say what we were going to do at that time.

Q. You might have changed on that anyhow? A. Might have changed on any style.

Q. On that particular style? A. It may come under that particular category.

Q. However, taking it as a style that you had a large stock on hand of - that is 2A2, it was how wide? A. In the finished goods?

Q. Yes? A. I would say that fabric finishes 35 to 37 inches. Could I help you with that? That is grey construction you are looking at.

Q. Can you get the width thereof? A. Yes, the width is here I think, Mr. Reader.

Q. Yes, we have the finish dry - finished article actually 37-3/4? Q. That is in that particular piece.

Q. 5.93 yards per pound? A. Yes, I said 35 to 40. The finished width varies in fabric. Usually that does come closer to 37 on the average than my figure.

Q. However, this line of goods was 5.93 per pound? A. In the finished condition.

Q. And was 37-3/4 inches, and you said it was a so-called taffeta - why did you qualify that? A. Our trade name for it is in the print, both of them in the print and the plain shades, is a crepe. It is actually what the trade refers as a chalk taffeta.

Q. It is really called a crepe, is not it? A. No, it is not really. It is a taffeta construction in the grey which is treated in the finishing process to give it a slightly crepish finish.

Q. All, now, taking this article Mr., you had a large stock of it on hand at Courtrooms and you might and you might not have been discontinuing that on account of style - is that a correct way of putting that? A. In account of style? Let me think that over.

Q. Because of the large stock and current conditions generally. A. Same condition

might have come about. As I say, it is possible on any fabric we may discontinue it. I would not say it applies particularly to that fabric.

Q. Then did you make any inquiries before you decided to close the mill as to what price the competing fabric was selling at that the United States? A. Yes, we know - I think I know - not particularly in reference to closing up the mill but I know - as it is a part of my job to know perhaps - that that chalk taffeta, what price that chalk taffeta was selling at in the United States.

Q. Was it selling higher or lower than it was in Canada? A. It was selling I would say higher.

Q. Higher than in Canada? A. Yes.

Q. And did you figure as to whether the Japanese quotations on a fabric that you say would compete with it, similar fabric, were such as they were underselling the American products, which sold higher in the United States than it did in Canada?

A. I am afraid I lost the thread of that question.

Q. Did you make any inquiry to determine whether the fabric quoted on by the Japanese manufacturers was being sold in the United States at a lesser price than fabric that was quoted, the American fabric, which competed with this? A. Yes. All the Japanese values, as I say, were c.i.f. New York and were much lower than the American.

Q. The American articles was higher? A. Yes.

Q. Did you inquire to find out whether they were selling or not? A. I have understood

that question before, Mr. Lecture.

Q. Well, when you left Ottawa on the 14th of January you went straight - Montreal? A. I returned to Montreal, yes, that evening.

Q. And did you gather any further information after you left Ottawa in regard to the question of Japanese competition in the Canadian trade?

A. I do not think there was any fresh evidence - perhaps just let me ask you this: In what period immediately on my return?

Q. Between the time you returned from Ottawa and the time you wrote the letter to Mr. Larkam or had Mr. Mackie write the letter to Mr. Larkam giving him instructions to close the mill?

A. I do not think from my recollection of that particular day that any fresh evidence came to hand from outside. I may have looked over more carefully what we had and also - - -

Q. Tell me what you looked over more carefully than what you had, if you did look over?

A. Yes, if I did, I say. It is a little hard to remember these things down to the exact - -

Q. That could it be that you looked over - just the questions that had been sent out by Vickers?

A. No, I did not look over - I could probably think over rather than look over all that I knew.

Q. Well, up to that time what was it?

A. Well, I knew a good deal about the situation in Japan because when our friends from Lancashire were out just in the prior month early in December

they told us what we might expect very shortly in the way of Japanese competition in certain respect and I had, of course, available what is common knowledge to many people of conditions in Japan, we had rates &c. and that coupled with this direct evidence of what could be done in the way of producing goods at a very different level of value from what obtained in our industry or I think were the facts, the matters, that came to my mind before I finally asked Mr. Daniel to write that letter to Mr. Kershaw which you have seen.

Q. I want to get this quotation from Fisher if I can so that we are not in the air about that. Is this document I show you a copy of the quotation from Fisher? It, again, comes from that brief which was produced to you. A. Yes. I do not know whether this was attached at the time.

MR. HEWARD: Which brief do you refer to?

MR. DANIEL: That was given to me by Mr. Lambert, not yourself. A. This appears to me - -

MR. CROFTON: Check up.

- - Mr. Ballantyne checks with the witness.

MR. WITNESS: Yes, this appears to me to be a copy of the letter, what you might call a circular letter, written by that agent Fisher. He was not the only one, of course.

MR. DANIEL: Well, he was the only one that you had copies of the quotation from at the 17th of January. A. He was not the only one whose quotations I had knowledge of. I know that several

others - - -

Q. I want to get them; I thought yesterday we had cleared it up? A. So, you tied it down I think to the exact letter and I did not get much chance to be any broader but we knew that other agents were quoting.

Q. We will deal with the other one because I want to see the whole story. Now, this is a letter dated 4th January, 1936, a copy of a letter addressed to Messrs L.W.Anderson Co., 618 St. James Street.

THE COMMISSIONER: You are putting it in?

MR. MORGAN: Yes.

THE COMMISSIONER: It will be exhibit 148.

EXHIBIT 148. Letter from A.B. Fisher and Co. Limited to Messrs L.W. Anderson, dated January 4th 1936.

THE COMMISSIONER: Q. Who are L.W. Anderson? A. That is the name of a jobber in Montreal engaged in the jobbing of cotton and other types of textile.

MR. MORGAN: I will read the letter:

Dear Sirs:

Below please find lowest quotations for the following Japanese goods:

27"	Plain rayon	Feb/Mar	from Toronto	13½¢
"	" "	Apr/May	" "	12½¢
"	Brocaded "	Feb/Mar	" "	14½¢
"	" "	Apr/May	" "	13½¢
36"	Cotton Crepe	Feb/Mar	" "	11¢

Prices F.O.B. Toronto, Duty Paid, Sales Tax extra, (if no wholesale license).

We would be glad to hear from you if interested in shows, or, any other items in Japanese textiles, as we are well equipped to take care of this business."

Q. Now, can you tell me from where these samples that are attached to that letter that was handed to me by Mr. Ashton come from? A. No, I cannot tell you exactly where they originate. My understanding is that Mr. Berry prepared this file and that those samples are samples of the actual goods referred to in the letter.

Q. Probably we can agree on that feature. They were attached to the letter when handed to me the first day down at Shortroks. A. They appear to be, yes.

Q. Well, then, I want to get from you a sample of your rayon 27" wide that you say this first item would compete with. A. May I make a note of that?

Q. Let me have the samples that were put in yesterday? A. Do you want me to get it?

Q. Probably it may be here. I assume that these were put in. Is it in Exhibit 16? A. Yes. This first cloth here happens to be white but I presume we have it in the shades, colours as well. It is so-called King Ray fabric described as R.T.M. 27" finished width. Is the cloth which has been supplanted by that type of goods?

Q. Which one of these items on there do you say

ling Ray is the same fabric or is supplanted - whatever may you like to put it? A. I would say equivalent fabric.

Q. Which one of those items on Exhibit 148 do you say is equivalent to Ling Ray? A. The one described here as "27" Plain Rayon".

Q. That is the top one? A. Yes. It happens to be white there.

Q. You say that your article is not a very much superior article to that one? A. Well, the trade do not seem to think so.

Q. Oh well, I want to know what you say about it first and we will find out from the trade.

A. I always think our goods are superior to other people's.

Q. Is not it perfectly apparent from looking at the two articles that no purchaser would buy one for the other? A. No, I cannot subscribe to that because they do.

Q. Well, can you tell us any that do, any that are buying one for the other now? A. Yes.

Q. Who? A. I know that Eatons have been retailing that fabric where they used to retail this one.

Q. You mean in the same place? A. No, I mean in place of our goods.

Q. You mean to suggest that Eatons would for one moment back you up in saying that this Japanese fabric was filling the same market as your fabric? A. I cannot say what Eatons will do.

Q. Have you asked them? A. No, I have not asked them.

Q. And how much of that fabric has been sold in Canada in three months, of the white fabric? A. Presumably all that has come in.

Q. Well, how much? A. I have not got the exact figure. It is in your memo there, in your exhibit.

MR. BENNETT: I would just ask his Lordship to see the two fabrics.

THE COMMISSIONER: Well, I am not quite sure whether the witness tells us that he cannot say himself which of the two appears to him to be superior fabric.

MR. ALMAS: I said, sir, I thought that ours was.

Q. Well, you said that in the laughing way that you always do - I want you to be serious. A. I will be serious.

Q. Which of those two fabrics is of superior quality? A. I think that our fabric is the better one.

MR. BENNETT: Q. Why? A. Because in my opinion it has not got that slightly streaky effect that you see in that one.

Q. That is defective workmanship, is not it? - that streaky effect?

THE COMMISSIONER: Q. Is that right - is that due to defective workmanship? A. It is due to something, sir, that we do not think is good workmanship in our mills.

MR. LETHBRIDGE: Q. And as a matter of fact if you got an order for your goods and supplied them with a material that looked like that you would soon get it shipped back to you, would not you? A. We probably would if the entire shipment was of that nature. That might occur in our goods in particular spots.

Q. Yes, but I mean this is produced as a sample, and I think coming as it did from Mr. Berry it would be a fair sample. A. I cannot testify of how representative that is of the goods.

Q. I have not known Mr. Berry to do anything unfair yet. A. I don't think he would intentionally, but from my own experience I do not know whether that represents the goods completely or not.

Q. At any rate, judging it as a sample the Japanese goods would not mark it to a discerning purchaser in place of yours at all. A. Yes, they do. That happens in many other lines besides this.

Q. You say this does but you do not know to how much or how much of yours has been supplanted? A. I say one of the things that we have to contend with, that the actual quality of imported goods which replace our goods on the market is, on the average, not as good as ours but the importer gets away with it because he is not here on the spot as we are. We can be held responsible; the importer is an agent only with some vague background where the goods come from and the customer is willing to accept

goods such as that, strange as it may seem to me, where he would come back at us.

THE COMMISSIONER: Would he pay the same price? A. Yes, we have practically to meet the prices of these substandard goods as we call them.

Q. Bring your prices down? A. Yes.

Q. That has actually occurred? A. Yes, in many lines.

Q. Perhaps you can give Mr. McNair some particulars?

MR. McNAIR: Q. In the first place I would like to get your sales of Ming Toy, your deliveries of Ming Toy? A. Deliveries?

Q. Yes. A. Over what period?

Q. Well, we will say from the first of January to the first of April, 1934, 1935 and 1936, if you are handling Ming Toy. There is not any particular reason why you called this Ming Toy? A. Yes, there was a very good reason.

Q. It had that name for some time? A. Yes.

Q. What was the reason? A. The fabric is a duplicate of the Japanese construction.

Q. You copied it? A. We copied it some time ago, yes.

Q. Made it a very much better one apparently? A. No, not except insofar as those accidental defects that appear in that particular sample. I say the fabrics basically are of the same quality, the constructions are identical practically.

Q. You did not have this Japanese sample on the 15th of January? A. I cannot say about

that one; I had seen samples of Japanese fabric, of those fabrics.

Q. You do not make ling toy at Sherbrooke? A. No, that is definite.

Q. And you did not make a single one of the article that are shown on Fisher's quotation at Sherbrooke - we are clear on that? A. No, sir, that is quite clear.

Q. Well, we will come back to Sherbrooke then. Well, then, did you have any quotations that you could put your hands on, say, on the 15th of January, on those articles the Japanese are quoting those prices in the Canadian market except the ones quoted in Fisher's letter? A. Yes, Fisher has not covered all; there was other lines being quoted by other agents.

Q. Tell me what they were? A. I can bring to mind a satin that I think was quoted by Kawakita.

Q. A 36" satin? A. Yes sir.

Q. You did not make that in Sherbrooke? A. We were not making it just at that time.

Q. We are just concerned - - A. We have made satins.

Q. I am talking about what you were making at Sherbrooke on the 15th of January. Can you tell me of any Japanese quotation or any cloth that was not the same as the cloth made at Sherbrooke up to the 15th of January. A. In the Canadian market again this time?

Q. Yes? A. No, I cannot tell you.

That does not mean there was necessarily none, I can not tell you any.

. Well then, you wrote a letter yourself dated the 14th of January, 1938 to Mr. Fershaw, which reads as follows:

"In view of unsettled conditions in the rayon field at the present time, we have decided against making a definite appointment of a new superintendent of the Rayon Division at Sherbrooke Branch. We wish you to assume the title of "Acting Superintendent, Rayon Division", and to appoint Mr. R.A. Gilbert as "Assistant Superintendent, Rayon Division", effective at once.

You will be receiving instructions from Mr. Daniels to close down operations in the Rayon Division Friday night, January 17th, as this action is necessary in view of the threatened invasion of the Rayon Market in Canada by Japanese goods at the present time. We have made representations in Ottawa in the proper quarters, but, until some action is taken by the Government to stabilize the situation, it is quite impossible for us to book any further orders or to continue production for stock purposes."

That is from Exhibit No.3.

(Page 2090 follows.)

THE COMMISSIONER: Are you putting that in?

MR. McRUER: It is in, my lord, Exhibit #3.

THE COMMISSIONER: Yes, we have that.

THE WITNESS: It was read at Sherbrooke.

BY MR. McRUER: Q. Now, you say in this letter to Mr. Kershaw --

"We have made representations in Ottawa in the proper quarters, but, until some action is taken by the Government to stabilize the situation, it is quite impossible for us to book any further orders or to continue production for stock purposes".

A. Yes.

Q. Was that a true statement when you made it?

A. I think it was, if you understand as you should, that when I said the government there I had in mind not merely the political party in power, but the civil servants, the Customs Department, who had it in their power to take certain steps if they saw fit.

Q. You saw the fountain head of authority the day before and you certainly were not blaming the civil servants for not doing anything.

THE COMMISSIONER: Perhaps you could find out what did Mr. Gordon and his associates ask the ministers to do and then we will see what he means.

BY MR. McRUER: Q. What had you asked for the day before? A. We had asked for -- if they could consider reinstating section 43.

BY THE COMMISSIONER: Q. Of what? A. Of the Customs Act.

BY MR. McNUER: Q. That is, to put a fixed value on? A. Yes.

THE COMMISSIONER: Tell me, have you got 43 there?

MR. McNUER: Yes, my lord.

THE COMMISSIONER: You had better read it.

THE WITNESS: I mean reinstating the value under section 43.

THE COMMISSIONER: Read the section.

MR. McNUER: It reads --

"If, at any time, it appears to the satisfaction of the Governor-In-Council on report from the Minister that goods of any kind are being imported into Canada either to sell, or on consignment, under such conditions as to prejudicially or injuriously affect the interests of Canadian producers or manufacturers the Governor-In-Council may authorize the Minister to fix the value for duty of any class or kind of such goods, and notwithstanding any other provisions of this act the value so fixed shall be deemed to be the fair market value of such goods."

BY THE COMMISSIONER: Q. What did you ask the minister to do in respect to that section?

A. Your lordship, we asked -- we asked the ministers, there was three of them there -- Mr. Ilsley was naturally concerned as Minister of National Revenue. It was really more his province than actually Mr. Cummings. We asked whether it would not be possible to reinstate the fixed value under section 43.

Q. So as to keep those goods out? A. Yes.

BY MR. McKEER: Q. What fixed value did you suggest? A. There were no concrete suggestions made at the time.

BY THE COMMISSIONER: Q. What you meant was something high enough to keep these goods out? A. Yes.

Q. On the ground that they were competing unduly with Canadian goods? A. Yes. I want to make it clear, sir. It might not have been made clear yesterday in my evidence; I have read it over. When we spoke to Mr. Dunning and the other ministers and spoke of these Japanese prices on these particular goods we made it very plain to them, I think, that this was only an instance. We were not talking about volume of imports. We were giving it as a specific instance of the level at which Japanese goods of a similar character to our own could be manufactured apparently, judging by the prices.

Q. At least, were being quoted? A. Yes, were being quoted, sir.

Q. According to information? A. Presumably at a profit to the manufacturer.

Q. Therefore you asked that such a price be fixed as would keep them out? A. No, no; Mr. Euler said, "well, you have had five years of exclusion", or something to that effect. "No, you cannot expect any value that will keep these goods out."

Q. I do not care what he said. What were you asking the government to do? A. We were really asking them, sir, for a value that would bring in these goods at a landed price that was very close

to our own, so it would be a matter purely of preference on the part of the buyer whether he wished to buy Japanese goods or ours.

Q. You are quite sure that is it? A. Yes, I am quite sure that is what we were asking, sir.

THE COMMISSIONER: Now then, Mr. McRuer, would such actions interfere with the Japanese agreement, do you know?

MR. McRUER: Oh, that is a broad question.

THE COMMISSIONER: You are not prepared to tell me.

MR. McRUER: No, I am not prepared to tell you that. They have power, still have power to fix the value.

THE COMMISSIONER: You see, Mr. Gordon refers to asking the government to reinstate the value. Has there been actually one applying to this section? A. Yes, the value of $1.25 we have heard about was a value fixed under that section.

Q. That was discontinued? A. That was discontinued by the bulletin which was issued on December 28th.

BY MR. McRUER: Q. It was not the Japanese agreement that took away the fixed value of $1.25? A. No, I am referring to the bulletin.

Q. It was the treaty with the United States.

THE COMMISSIONER: I see.

MR. McRUER: And Japan, being the favoured nations treaty.

THE WITNESS: I don't know whether when the treaty was made with the States whether this was determined

in it.

BY THE COMMISSIONER: Q. I think I understand now; what you wanted the government to do was to take action under section 43 which they had already apparently precluded themselves from doing on account of the trade arrangement they had made with the United States? A. I don't think the ministers felt they were precluded entirely.

THE COMMISSIONER: What about that, Mr. McRuer?

MR. McRUER: Again I would not like to --

THE COMMISSIONER: We will have to defer it for the present but it is important to know that later. In that letter then, to the superintendent, Mr. Kersten, it refers to it. You might read it again. What is it asking the government to do?

MR. McRUER: "We have made representations in Ottawa in the proper quarters, but, until some action is taken by the Government to stabilize the situation"--

THE COMMISSIONER: That means the action then, that they asked the government to take under section 43?

THE WITNESS: Yes. I should explain though, sir, to be clear on the thing, that we had studied with the Customs Department the possibility of any of the other clauses which you have heard Mr. Hooper give you, 36(2), 35(2), and the other general clauses of the tariff, if any of these could be invoked to remedy the situation, and our advice --

Q. That is, 43 was the only section available? A. Well, our advice from Mr. Scully and his advisers was that they felt there was very little, if anything.

that could be done under the other sections, that they did not meet the situation.

Q. 43 was the best worded section? A. 43 was our only hope.

Q. It does seem to go straight to the point, doesn't it? A. Yes.

Q. Now, that must be what you had in mind when you wrote that letter? A. Yes; I must say I had in mind that as a temporary expedient the Customs Department might endeavour to check up on Japanese values in some way, and that that might have some remedial effect for a short time, but we had been advised by the department that any such action that they might take would, of necessity, be a temporary one, because they felt that they were not, perhaps, on the firmest grounds.

THE COMMISSIONER: You might look into this question, Mr. McRuer, for me, as to what extent the operation of 43 is restricted, or put into abeyance respecting Japan and the United States by recent agreements.

MR. McRUER: I shall do that, my lord. You have got to consider the question of international good will and the spirit of administering the treaty as well as the law of it.

BY MR. McRUER: Q. What I have particular reference to, Mr. Gordon, in your letter to Mr. Kershaw is this. I will read the last paragraph again.

"We have made representations in Ottawa in the proper quarters, but, until some action is taken

Q. Was it about something that
did not meet the situation.

Q. Was the best available medicine? A. So
was our only hope.

Q. It could seem to go contrary to the public
mind? A. Yes.

Q. Now, that must be what you have in mind when
quote the Lusitania? A. Yes; I must say I have
in mind that as a temporary expedient the German
Government might succeed in check up on American
voices in some way, and that might have some
remedial effect for a short time, but we had been so
by the Government that any such action that they
take would, of necessity, be a temporary one. Because
they felt that they were not, perhaps, on the firmest
ground.

MR. O'MEARA: You might look into that
question, Mr. Mosher. For me, as to what extent the
operation of 48 in restricted, or put into abeyance
respecting Japan and the United States by reason
of

Mr. MOSHER: I will do that, Mr. [illegible]
for the consideration the question of international [illegible]
[illegible] explicit as distinguishing the treaty as well
the law of it.

BY MR. MOSHER: Q. When I have particular notice
to, Mr. Hanson, in your letter to Mr. [illegible] in
I will read the last paragraph again.

"by the government to stabilize the situation, it is quite impossible for us to book any further orders."

You do not seriously contend that you were correctly stating the situation then? A. Going back to my position at that time, and taking the order situation as I knew it on that day, Wednesday, as up to the previous Saturday, the close of business on the previous Saturday, and everything out at Sherbrooke, what I was writing to Mr. Kershaw, I would say that was a correct statement.

Q. Just let us see; you say that taking into consideration the order situation with your company up to the 15th of January, 1936, and applying it to Mr. Kershaw, that it was correct to say it would be quite impossible for you to book any further orders? A. With him.

Q. What do you mean by booking any further orders with him? A. Well, he has, as you, I think, know by this time -- the mill there is a greys mill and runs on orders given to it to supply cloth in the greys to Magog, and in view of the stock situation I felt that if the situation in the trade did not improve that the stock that we had together with the run out of his looms would give us ample production, and perhaps more than we needed, and that he would get no further orders for grey cloth.

Q. Just let us get the true picture, then, Mr. Gordon. Then I will ask you to explain it. On Monday Mr. Daniels had been telling Mr. Kershaw at the head

office that it would be necessary to further curtail his production at Sherbrooke because of the inability of the machinery to handle the situation at Magog? That is on Monday -- A. Mr. Daniels --

Q. Just a moment, now; I want to give you the whole picture. A. Alright, if this is a question, finish it.

Q. On Monday that was the situation and on Wednesday you say that it was apparent to you that you could not book any more orders to be given by Magog print mills to Sherbrooke on account of the uncertainty of the market. Now, I want you to explain what you mean by that; what happened between Monday and Wednesday to change that picture? A. Nothing happened; there is nothing to explain between them. The two are not particularly relative to each other. I cannot understand what you are driving at.

Q. You were taking to the full capacity of the machinery at Magog on Monday? A. What do you mean we were taking to the full capacity?

Q. I understood from Mr. Kershaw in his evidence that he had got a suggestion from Mr. Daniels that it would be necessary for him to further curtail production in Sherbrooke because the machinery at Magog was not able to handle the production they were turning out to them? A. Yes, that is correct so far as it goes.

Q. Then, on Wednesday you are saying on account of the Japanese situation, or the uncertainty of the market, that it is impossible to book any further

orders? A. Yes, both these statements are correct answer as they go.

Q. When did you start to book further orders from Magog to Sherbrooke? A. When we re-opened we placed an order for a new style. When we re-opened on January the 29th, I think it was, or perhaps just after we re-opened we placed an order, I remember, for a cloth called RA 16, 40,000 yards.

Q. Now, we have on file the deliveries from Sherbrooke to Magog, and I just want to get them. A. I have them here for you if you want them.

Q. To show what happened; on the week ending January 11th there were 50,000 yards shipped; the week ending January 18th, 31,000; the week ending January 25th, 48,000; February 1st, 23,000; February 8th, 69,000; February 15th, 13,000; February 22nd, 77,000; February 29th, 55,000; March 7th, 35,000 and March 14th, 141,000. You evidently went on making deliveries from Sherbrooke to Magog? A. Yes, sir; if you will go back to Sherbrooke for a minute; do you remember we filed an exhibit there consisting of a memorandum of production that had been prepared on the 48 hour schedule.

Q. A memorandum of production? A. May I see that please?

Q. The one I have got is cotton. A. I think it was filed by Mr. Kershaw.

MR. BALLANTYNE: It was filed by Mr. Kershaw, Mr. McNuer, It is an exhibit.

THE WITNESS: You got both our copies, as a matter of fact, the yellow and the white one.

BY Mr. McKEEN: Q. Production, exhibit 42? A. No.

Q. Well, here is a memorandum of production that shows -- A. It was written the other way on a paper.

Q. But this is copied from something; there is a memorandum of production? A. Now, I am sorry, that is not it.

Q. Production of what? A. It was an operation schedule as laid out ahead showing the orders on that mill. That is it, I think. Yes, that looks like it, if I may see it.

Q. Orders that were in process of preparation? A. No, I am sorry. It is a similar sheet to this list of looms. It looked something like that.

Q. What is the effect of it? A. I would rather speak from it. It would be much simpler.

Q. Production schedule, would that be it? A. Yes.

Q. December 26th? A. Yes. You were questioning about orders. This shows the position of the Sherbrooke rayon mill, greyish division, Sherbrooke, as recording the orders that it had on hand of these different styles, orders totalling 2,270,000 yards as of December 26th. And those were the orders it would continue to produce on at whatever rate of production Mr. Daniels and Mr. Kershaw arranged between them.

Q. Well, were you serious in stating to Mr. Kershaw that it would be quite impossible for you to book any

A. No.

Q. Well, he's a manufacturer of rye whisky, shows -- A. I'd use written the other on a paper.

Q. But this is copied from something there memorandum of production? A. Yes, I am sure that is not it.

Q. Production of what? A. It was an ordinary as laid out about showing the owners on mill. That is it, I think. Yes, that looks like it I may see it.

Q. Where that was in process of production? A. No, I am sure. It is a similar sheet to this list of items. It looked something like that.

Q. What is the effect of it? A. I was rather speak from it. It would be much simpler.

Q. Statistics usually, would not be 1?

A. Yes.

Q. Twenty eight? A. Yes. Are we usually using every column. This shows the monthly of the Gerstecker Young mill, Guelph division. It shows, as recording the owners that it had on hand of these different styles, where totalling 5,870. period as of December 26th. And these were the it would continue to produce on at whatever use c provinces or. Ontario and Que. between them.

Q. Well, were you serious in stating to Mr. that it would be quite impossible for you to have

further orders with the Sherbrooke mill?

A. Yes, I think I was, Mr. McRuer, at the time.

Q. On what did you base your conclusion that you had reached the stage when it would be impossible to book any further orders? A. I based my conclusion on the fact that we had already produced, or had in the course of production, a very considerable volume of goods in the greys.

Q. That is on a particular type of goods?

A. Of these types of goods and that on these types of goods, and on other types, if we were really up against levels of values such as we appeared to be, that it was quite impossible for us to do any more than clear our inventories and get out of business.

Q. You felt that day you were going to go out of business? A. Eventually.

Q. And within a week you were booking more orders?

A. Within a week things had changed.

Q. I am saying within a week you were booking more orders? A. Yes, we have booked orders since.

Q. What was the change that took place in a week? It was not the government, the government took no action, did they? A. I don't know what you call the government. There was action taken by the department which had very effective results in certain quarters.

Q. What action? A. That letter which has been produced; I don't know whether it is filed as an exhibit or not. I think it is, probably; the letter written by the department on January 10th.

BY THE COMMISSIONER: Q. What department?

A. The Department of National Revenue, Customs Division. It reached the appraisers in due course; I don't know whether it was mailed on that date, but that was the date, I think, on the letter.

THE COMMISSIONER: Is the letter here?

MR. McKEER: Mr. Pene is getting it.

THE WITNESS: Shall I wait, sir?

THE COMMISSIONER: Yes.

BY MR. McKEER: Q. Now, we have the letter here; it is dated January 10th, 1936, the Collector of National Revenue, Customs Division. It seems to be directed to the Collector of National Revenue.

A. I think that should be collectors, plural.

Q. It was a circular sent out.

"Subject: Value of Artificial Silk Fabrics from Japan.

It has come to the attention of the Department that on shipments of artificial silk fabrics of Japanese origin exporters may show on Customs invoices lower values than previously certified to.

You are requested to carefully supervise importations of the above mentioned goods. In this connection you may refer to customs invoices covering importations of similar goods made during 1934 and 1935, or examine relevant data at the offices of the importer, and if it is found that the values certified to are not correlative the importer should be invited to give or obtain a statement as to the reason for any reduction in values certified to.

MR. CHARLES [illegible]: Just about [illegible]?

A. The department of National Revenue, Customs [illegible] it received the consignment in due course; I don't [illegible] whether it was sealed on that date, but that's [illegible] to me, I think, on the letter.

MR. [illegible]: In this letter [illegible]?

A. [illegible] Exhibit [illegible].

MR. [illegible]: Should I read, sir?

MR. [illegible]: Yes.

BY MR. McKEON: A. Now, we have this letter [illegible] it is dated January 10th, 1946, the [illegible] National Revenue, Customs Division. It reads [illegible] addressed to the Collector of National Revenue.

Q. I take that [illegible]?

A. [illegible] a letter [illegible].

Q. [illegible]

It has come to the attention of the Department of National Revenue of artificial pile [illegible] lower values than actually certified to.

You are requested to [illegible] attention of the [illegible] Customs you may refer to [illegible] covering importations of similar goods made [illegible] and 1945, or relative invoices [illegible] officers of the Department, and if it is found [illegible] the values certified to are not commercial [illegible] Importer should be invited to file or [illegible] document in the usual manner for the purpose [illegible] values specified [illegible].

" I am enclosing a sample -- a 27' fabric weighing approximately 9 yards per pound, which was imported during 1935. The value certified to was approximately Yen 8.00 per a piece of 50 yards.

Please report to the Department entry numbers, number and amount of amending entries, and also your findings in respect to fair market value.

Please advise immediately all known importers of fabrics that importations will be subject to appraisal, and they may be called on to amend entries."

Now, that letter was sent out on the 10th of January, 1936, apparently? A. I don't know whether it was sent on that date. That is the date on the letter.

Q. When did it come to your attention? A. It came to my attention on my return from a trip to the United States, a business trip.

Q. That was -- A. I got back on January 23rd. I had heard -- what shall we call it -- a rumour that some such letter would be written, but I had not seen it. In fact, I don't know that I actually saw the letter until after that date, but I knew on January 23rd that the letter had been written.

Q. It evidently had been written and was in circulation if this date on it is correct at the time you and Mr. Ilsley -- A. It had probably reached the collectors or was on the way to the collectors.

Q. At that time, so it had no doubt gone out from the department when you were conferring with Mr. Scully that morning before you saw Mr. Ilsley? A. I could not tell you whether the letter had gone or

not.

Q. Was its subject matter not discussed with you in Ottawa? A. Not very clearly, no.

Q. Was it discussed with you? You say not very clearly? A. It was discussed in a general way.

Q. That they were going to do that?

A. No, that some such letter could be written under the provisions of thirty -- I cannot quote these tariff paragraphs as freely as Mr. Hooper, -- but I think probably under 36(2).

Q. You do not suggest that the Commissioner of Customs in interviewing you in Ottawa on the morning of the 14th of January would say to you that such a letter could be written if, in fact, it had been written and was in circulation at that time? You do not suggest that Mr. Scully would put it to you that way?

A. No, I am not trying to put any words in Mr. Scully's mouth.

Q. Why do you say that he said if such a letter could be written? I would be very much surprised if Mr. Scully would put it that way? A. He probably did not; I cannot remember his exact words, but the sense of the thing would be that such a letter might have been written, was being written, or will be written. I could not say that Mr. Scully -- I don't think he would be in a position to be definite in such a matter.

THE COMMISSIONER: Mr. McNair, we will continue with this at two o'clock..

-- The Commission adjourned at 12.30 p.m. to resume at 2 p.m.

Q. Was this matter not discussed with
Mr Dennehy? A. Not very directly, no.
Q. Was it discussed with you? You may not
remember. A. It was discussed in a general
way.
Q. What they were going to do, then?
A. No, I had some much better course in
preparation of taking -- I cannot quite tell you
exactly as to Mr. Dennehy. -- But I think
probably about 1911.
Q. You do not suppose that this Commissioner
Dunham is interfering you in Ottawa on the journal
the 14th of January would not be you that such a
would be written in. In fact, it had been written
war in circulation at that time? You do not
what Mr. Scully would put it to you that way?
A. No. I am not trying to put any words in. Mr
Scully.
Q. Tell us why that he could if such a
could be written? I would be very much interested
Mr. Scully would put it that way? A. He prob
did not; I cannot remember his exact words, but the
gones of the letter would be that such a letter might
have been written. The letter written, or will be
I could not say what Mr. Scully -- I don't think he
ever in a position to be called on that a letter.
Mr. [illegible], Mr. Dennehy, or [illegible]
this at two o'clock.
-- The witness stood down at 1.00 p.m. 2 [illegible]

LA SÉANCE, SUSPENDUE À MIDI ET DEMI, EST REPRISE À DEUX HEURES.

PAR ME BEAUREGARD:- Qu'il plaise à votre Seigneurie, lors de l'examen des témoins à Sherbrooke, M. Pacifique Manthe a mentionné que les Syndicats catholiques avaient été organisés à Sherbrooke par un nommé Sévigny. J'ai retrouvé M. Sévigny qui est ici présent. Si votre Seigneurie n'a pas d'objection, on pourrait le faire entendre de suite.

M. LE COMMISSAIRE: Je m'en souviens bien; on pourrait l'examiner avant de continuer avec M. Gordon.

M. Wilfrid E. Sévigny est assermenté:-

PAR ME BEAUREGARD:

Q. M. Sévigny, quel est votre premier nom? R. Wilfrid.

Q. Quelle est votre occupation actuelle?

R. Organisateur des Syndicats catholiques.

Q. Vous êtes organisateur pour les Syndicats catholiques; qu'est-ce au juste que les Syndicats catholiques?

R. L'organisation ouvrière professionnelle.

Q. Une organisation ouvrière professionnelle ayant son siège social à quel endroit? R. A Québec.

M. LE COMMISSAIRE:-

Q. Est-ce pour Québec, seulement? R. Province de Québec.

PAR ME BEAUREGARD:

Q. Cette société n'exerce son contrôle que dans la province de Québec? R. C'est-à-dire que je ne suis pas qualifié pour répondre à cette question. C'est laissé à la C.T.C.C.C.

Q. Depuis combien de temps avez-vous quelque chose dans la fédération? R. Depuis le commencement de décembre dernier.

La Reine, [illegible]

[illegible] Q. Bien, [illegible] qu'il [illegible] à vous répondre. [illegible]
[illegible] Commissaire [illegible]
M. les Commissaires, [illegible] ayant les [illegible]
[illegible] par un [illegible]. J'ai [illegible] M. [illegible]
[illegible] présent. Je vous [illegible] à ma [illegible],
[illegible] le [illegible] [illegible] de [illegible].
R. Il [illegible]. Je n'ai [illegible] [illegible] de [illegible]
[illegible] M. [illegible].

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M. Arnold M. [illegible] des [illegible].
[illegible]
Q. M. [illegible], [illegible] [illegible]
Q. [illegible] [illegible] [illegible]
[illegible]
[illegible] [illegible] [illegible]
[illegible] [illegible] [illegible]
R. L'[illegible] [illegible] [illegible].
Q. [illegible] [illegible] [illegible] [illegible]
[illegible] [illegible] [illegible]?

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R. [illegible]
Q. [illegible]
Q. [illegible] votre [illegible], [illegible]? R. [illegible]
[illegible]
Q. Cette [illegible] [illegible] [illegible] [illegible]
[illegible]? R. C'est-[illegible]
[illegible] [illegible] [illegible] à votre [illegible]. [illegible]
[illegible] [illegible].
Q. [illegible] [illegible] [illegible] [illegible] [illegible]
[illegible]? R. [illegible] [illegible].
[illegible]

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Q. 1935? R. Oui.

Q. Votre union a donné un commencement, a organisé la section des Syndicats catholiques dans l'usine de la Dominion Textile, à Sherbrooke, est-ce exact? R. Correct.

Q. Quand avez-vous commencé à travailler là?

R. Au commencement de décembre.

Q. Au commencement de décembre, 1935? R. Oui.

Q. Savez-vous combien de membres sont enrégistrés dans les Syndicats catholiques? R. Un peu plus de deux cents, dans le moment.

Q. Devons-nous comprendre que les membres ont un honoraire à payer? R. Oui.

Q. Dites-vous qu'il y a deux cents personnes de l'usine de la Dominion Textile? R. Oui, deux cents personnes ou plus, dans les environs, qui ont donné leur nom.

Q. Nous parlons, dans le moment, nous sommes à Sherbrooke et nous sommes parmi les employés de la Dominion Textile, section du coton et de la soie; nous ne sommes pas intéressés dans d'autres personnes de Sherbrooke ou dans les syndicats ouvriers de Sherbrooke. Vous dites que deux cents personnes ont donné leur nom? R. Pour être juste, je pense qu'il y en a vingt du département de la soie, et la balance du département du coton.

Q. Suffit-il de donner son nom pour devenir membre des Syndicats catholiques?? R. Dans le travail préliminaire, oui.

Q. Il suffit de donner son nom; après?

R. Le moindrement qu'ils donnent leur nom, ils sont acceptés comme membres de la section de.....

Q. De la section de Sherbrooke des Syndicats catholiques?

R. Oui, seulement, on demande la cotisation seulement lorsqu'on a commencé à faire du travail pour eux.

Q. Comment est représentée la section de Sherbrooke des Syndicats catholiques, quelle est la qualité de l'officier qui représente les Syndicats catholiques?

R. Ils ont leur comité exécutif qui est pris parmi les travailleurs eux-mêmes.

Q. Est-ce à ce comité exécutif qu'une personne qui veut faire partie des Syndicats catholiques doit donner son nom?

R. Soit à l'agent d'affaires ou à n'importe quel officier du comité exécutif ou à n'importe quel membre.

Q. Dois-je comprendre que vous, comme agent d'affaires des Syndicats catholiques, vous vous êtes occupé de rassembler à Sherbrooke les travailleurs du moulin de coton?

R. Justement.

Q. De la formation en société, en section des Syndicats catholiques? R. Oui.

Q. Dites à la Cour ce à quoi vous en êtes arrivé dans la formation de ce syndicat? R. Comme dans toute organisation, nous avons commencé par faire de la sollicitation auprès des membres.

PAR M. LE COMMISSAIRE:

Q. Quand cela, dans quel mois?

R. Au commencement de décembre. Seulement, avant de travailler ouvertement, nous avons fait venir M. Alfred Charpentier, de Montréal, président de la Fédération des travailleurs catholiques. M. Charpentier est venu à Sherbrooke tenir une assemblée, rencontrer M. Kershaw qui est le gérant à Sherbrooke. Il n'a pas pu rencontrer M. Kershaw, cette semaine-là; par la suite, il l'a rencontré à Montréal. Il a obtenu la permission d'organiser l'union. Nous avons fait de la sollicitation, tenu des petites assemblées, je ne dirai pas secrètes, mais qui n'étaient pas annoncées. Le syndicat a été formé à la mi-février. Les premières cotisations versées l'ont été dans le cours du mois de mars.

PAR M. BEAUREGARD:

Q. Vous avez dit qu'avec l'assentiment de M. Kershaw, tout s'est continué, le travail s'est continué avec les employés de l'usine?

R. Justement.

Q. Au mois de février vous avez commencé à recevoir une cotisation de certains membres? R. Justement.

Q. Pouvez-vous dire combien de membres ont payé leur cotisation?

R. Exactement 45.

Q. 45 sont en règle? R. Justement.

Q. Est-il à votre connaissance qu'aucun travail ait été fait, un travail de la formation de la section?

R. Il y a eu des assemblées tenues régulièrement depuis le samedi précédant Noel, à tous les quinze jours.

Q. Des assemblées des membres en règle, les membres ayant mené leur nom? R. Aucun membre n'avait payé sa cotisation jusqu'au commencement de mars.

PAR M. LE COMMISSAIRE:

Q. Est-ce que les femmes sont admises? R. Oui.

PAR M. BEAUREGARD:

Q. Les femmes peuvent être membres, toutes les ouvrières sont admises? R. Oui.

Q. Devons-nous comprendre que la Fédération ouvrière, comme fédération, est entrée en relation avec M. Kershaw autrement que pour avoir la permission de s'organiser?

R. S'ils ont eu d'autres communications j'en suis complètement rien. Seulement, M. Charpentier est venu à Shawinigan uniquement dans ce but-là.

Q. Avez-vous possédé vous occuper de la Fédération catholique des ouvriers? R. Je ne m'occupe pas de la Fédération, mais du syndicat; la Fédération est le corps supérieur des syndicats catholiques.

PAR M. LE COMMISSAIRE: Q. Les différents syndicats sont

formés .....

R. En fédérations .....

Q. en associations provinciales? R. Justement.

PAR ME BRAUNEGARD:

Q. Dont M. Charpentier est le chef? R. Le président.

Q. Êtes-vous encore à former cette cellule?

R. Dans le moment, oui.

Q. Cette section des ouvriers catholiques à Sherbrooke?

R. Oui.

Q. C'est encore votre ouvrage, actuellement? R. Oui.

Q. Vous dites que 45 personnes sont membres en règle?

R. Oui.

Q. Vous n'avez pas connaissance que ces 45 personnes soient entrées en communication avec les autorités de l'usine pour mettre de l'avant des demandes, des revendications, des plaintes des employés? R. Non; c'est-à-dire que je sais que quelques-unes l'ont fait; elles l'ont fait individuellement de l'association.

Q. Vous n'avez pas tenté de discuter des salaires, du rajustement des salaires? R. Pas comme association.

Q. Aucun travail, à votre connaissance, n'a été fait dans ce sens?

R. Pas par l'association elle-même.

Q. Vous nous avez dit que M. Kershaw avait donné son assentiment à la formation d'une cellule de la fédération dans les murs de l'usine. Vous êtes-vous aperçu que les autorités de l'usine s'opposaient de quelque façon à la formation de l'union?

R. Absolument pas. J'étais pas présent à l'entrevue lorsque la permission a été obtenue.

PAR M. LE COMMISSAIRE:

Q. Dans votre travail? R. Dans mon travail, aucune objection de la part des autorités de la manufacture. C'est de la part des petits sous-contremaîtres qu'il y a eu de l'objec-

tion.

PAR ME BEAUREGARD:

Q. Vous ne vous êtes pas aperçu que ceux qui avaient pris le plus d'initiative dans le mouvement de cette union aient été molestés, ou aient été conduits à perdre leur situation, ou aient eu à souffrir dans leur situation?

R. Non, il y a seulement un membre qui appartient à l'union qui ne travaille pas dans le moment; il ne travaillait pas au moment que nous avons commencé l'organisation.

Q. En ce qui concerne l'union que vous représentez, vous n'avez aucune espèce de plainte à enrégistrer contre les autorités de la compagnie? R. Absolument pas, parce que le comité des griefs n'a pas siégé, encore.

PAR M. LE COMMISSAIRE:

Q. En ce qui vous regarde, personnellement, vous n'avez pas de griefs? R. Absolument pas.

(2115 follows)

GEORGE BLAIR CORBETT,

EXAMINATION BY MR. McRUER, (resumed):

BY MR. McRUER: Q. You intimated this morning, that there was something in connection with the letter of January 10th, sent out by the Customs Department, that changed your view as to whether it would be possible for you to book further orders?

A. Yes. I intimated that there was a reaction to that letter through the trade which was favourable to our chances.

Q. Favourable to your chances, you put it?

A. Yes.

Q. Now, I want to get from you what consideration you gave the likely reaction from this letter before you closed the mill; and you rather intimated to me this morning that you had not seen this letter?

A. That is right, sir.

Q. Now, I suggest to you, that when you were conferring with Mr. Scully, that letter was the subject of the conference between you and Mr. Scully?

A. No.

Q. It was there on the table, placed there by Mr. Hooper? A. No, this letter may have been placed before Mr. Scully by Mr. Hooper while we were in the room, but it certainly was not shown to us, and as to being the subject matter of the conference, it certainly was not.

Q. Well now, what was there in that letter that

[illegible] Mr. [illegible], gentlemen:

Q. Mr. [illegible]. You [illegible] this morning, that there was something in conversation with Mr. [illegible] of Kingsley Park, sent out by the Grenville Improvement, that changed your view as to whether it would be possible for you to book further orders?

A. Yes. I indicated that I had to use a machine to make letters through the stamp which was forwarded to our branch.

Q. Reverting to your evidence, you had [illegible]

A. Yes.

Q. Now, I want to get from you what conversation you gave the Kingsley machine from this letter before you opened the mail; and you further indicated to me this morning that you had not seen this letter. That is right, sir.

A. Now, I suppose to you, that when you were conferring with Mr. [illegible], that [illegible] was the subject of the conference between you and Mr. [illegible]?

A. Yes.

Q. [illegible] on the table, placed there by Mr. [illegible]? A. No, this letter may have been placed before Mr. [illegible] by Mr. [illegible] in this room, but if conferring was been going on, and as to being the subject matter of the conference, it certainly was not.

Q. All Not, that was [illegible]

changed your view in any way? A. Well, this--

Q. It seems to me a most innocuous sort of letter to make such a great change in the merchandising conditions in Canada, as between being able to book further orders and not being able to book further orders. A. Please don't give this particular letter undue credit, Mr. McNuer. I mentioned this as one of the factors.

Q. I don't want to give it more credit than you give it, Mr. Gordon. Just tell me what credit you give it?

THE COMMISSIONER: That is an exhibit now?

MR. McRUER: Yes, my lord.

THE COMMISSIONER: What is the number of it?

MR. McRUER: Exhibit 142, my lord.

THE WITNESS: I will tell you what this letter did, as well as I can.

BY MR. McRUER: Well, all right. A. This letter, of course, went to the Collectors of Customs.

Q. Yes? A. At the various ports.

Q. Yes? A. And undoubtedly when those collectors of customs - and I don't know whether they were within their rights in so doing or not - but undoubtedly the contents of this letter leaked out; perhaps I should not say leaked out, because perhaps it was quite right for them to tell the various customs brokers and importers the purport of this letter, which signifies that Japanese values will be scrutinized carefully.

Examination

Examined prior thus he may reply. ... Well, Brydie.

... - I decide to be a bank's insurance agent of
Lafour to which such a great change in the economic
conditions in Canada. Is because should also be used
factory owners and not being able to work together
alone. ... Lemieux don't give him the protection
factory owners really do, anyway. I emphasize this
one of the factors.

. I don't want to give it more credit than it
has, Brydie. Does that mean we're should give it
life?

MR. GERSTEIN: That is an probable cause
... (yes, or no).

... I'm saying that it has become of
... unlikely, Mr. Lord.

MR. H. KEMP: I will tell you. It's also because
we will be I can.

... Well, all right. ... Lemieux
letter, of course. That is the Parliament of Canada.
... Yes. ... of the various parts.
... Yes. ... the constitutional
... - that I don't know whether that
... right to be doing or has -
... the constitution of this Dominion
... I think not, but my lawyer you. Because
... it was quite right for them to fall the various
... brokers and lays here the property of this
... Lemieux, which ... that Dominion Steel

Q. Yes, and that is the general purport of that letter, they would like, so to speak, the information to get out, or be communicated to the importers, that Japanese values were going to be scrutinized carefully; is that right?

A. Yes, that is what I would take from this letter; that is the reaction that this letter would have on the man who became acquainted with its contents.

Q. And do you seriously contend, that that made any great change in the merchandizing conditions in the Dominion of Canada, the mere intimation that Japanese values were going to be scrutinized carefully? A. Yes, Mr. McRuer, I do, very emphatically.

Q. I see. I suppose then if we got the Customs Department to send out a letter that Japanese values would be scrutinized very very carefully your difficulty might be solved? A. I don't know; that is a presumption; I couldn't back it up.

THE COMMISSIONER: Let me see that exhibit, please.

THE WITNESS: I know what the reaction, in fact, was on the part of the importers to that letter.

BY MR. McRUER: Q. What importers? A. Importers bringing in Japanese goods.

Q. Who? A. Fisher, for example.

Q. What his reaction was to this? A. Yes, what his reaction was to this.

Q. When did he communicate his reaction?

A . He didn't communicate his reaction to me.

Q. Well, when did you learn of it? A. I learned of it on my return from Providence and New York.

Q. Well, the general subject matter of this was discussed between you and Mr. Scully, and with the Ministers in Ottawa, on the 14th? A. No, I cannot agree with you there, I cannot subscribe to that statement. That is only a side issue to the steps that could be taken by the Department under certain sections of the Customs Act, and, as I explained this morning, Mr. Scully's instruction to us, - the word is not "instructions"; but Mr. Scully's comments to us, if you like, that morning were, that anything that he could do under the Customs Act could only be of a very stop-gap nature because he said if, by any chance, the Japanese Legate here in Ottawa wants to make a fuss over this, or any importer makes a fuss over it --

Q. Over what? A. Over any step he took.

Q. They would not make a fuss over scrutinizing carefully the values? A. Oh, yes, they would, if there was any higher value put on as the result of that scrutiny.

Q. But that carefully scrutiny of the value is done all the time, is it not? A. Oh yes, but you must remember that that letter goes to Customs appraiser, or collector --

Q. May we take it then, that you are satisfied now

that the letter has gone out and it has had its effect? A. There may have been some letters written since then.

Q. Are you satisfied now? A. With the general position?

Q. Yes? A. No, not by any means.

Q. I suppose the only thing that would satisfy you would be the total exclusion of Japanese goods? A. No, I don't say that. Why do you say that?

Q. Well, the 1.25 that you had before had the effect of total exclusion? A. Yes, but you must remember, Mr. McNuer, that that 1.25 was set back in 1921 when the values of goods were on a very different level; it was set on an entirely different premise.

Q. You did not ask to have it taken off anyway? A. No.

Q. Well, now, I want to read to you a letter that you wrote on the 18th of January, 1926, to Mr. H.B. McKinnon, Commissioner of Tariffs.

THE COMMISSIONER: A letter written by whom, Mr. McNuer?

MR. McNURR: By Mr. Gordon to Mr. McKinnon.

THE COMMISSIONER: What date?

MR. McNURR: On the 18th of January, the date that the order was issued to close the mill.

THE COMMISSIONER: Is that in evidence now?

MR. McNURR: No, my lord.

THE COMMISSIONER: Read it, please.

MR. McKUEN:

"During the course of our meeting on Tuesday afternoon (14th inst.) with Mr. Dunning and the other ministers, it was brought out that the United Kingdom imposes a minimum duty of 3s. 8d. per pound on Japanese rayon goods, and Mr. Dunning began to compare this with the effect of the Canadian duties and came to the rough and ready conclusion that there was not a great deal of difference. I started to figure the actual difference, but, by the time I had it ready, the meeting had passed on to other points and, as time was short, I did not like to revert.

Actually, the English minimum duty is equivalent to 86.82¢ per pound in Canadian currency while the total of Canadian duties, including the currency dump, on Japanese goods worth 25.7¢ per pound f.o.b. Japan, amounts to 61.9¢ per pound, so that there is a difference of 24.62¢ per pound in favour of the United Kingdom.

Mr. Dunning inferred several times during the meeting that the $1.25 per pound valuation established in 1932 was an excessive figure and that we would have been well advised to have been content with something less in the

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first place. I have no idea just how this figure was originally arrived at, but I presume at the time it seemed a fair and proper valuation.

In this connection it is interesting to note the relation between the fixed minimum amount of duty, which the United Kingdom has imposed, and the duty which would be yielded by the actual tariff based on an estimated Japanese value. The actual tariff is 33-1/3% of the resale value of the goods in the U.K. so that, in order to yield 56.52¢ per pound, the resale value would have to be $2.60 per pound. If we assume a 20% profit on the landed price to the U.K. distributor, we get an equation where:

If x represents the Japanese invoice price, then,-

$$\frac{X + 1/3\ X) \times 120}{100} - \$2.60$$

and this works back to the Japanese invoice price being $1.62 per pound. The significance of the U.K. minimum duty figure is, therefore, that, under the regular duty, Japanese goods could be invoiced at $1.62 per pound before the amount yielded by the regular duty would exceed the minimum duty.

Since returning from Ottawa, I have reviewed our own rayon situation carefully, and, in view of our present stocks and the doubtful

first place. I have no idea just how much flour you originally arrived at, but I presume it was like by weight a fair and proper calculation.

A main consideration in its determination is now the relation between the fixed minimum amount of duty, which the United Kingdom has imposed, and the duty which would be yielded by the normal tariff based on ad valorem figures (value). The actual duty is dependent on the totals taken of the goods in the U.K. so that, in order to yield 12.5% per annum, the totals value would have to be [illegible] and yield. If we assume 1 [illegible] on the landed value to the U.K. therefore, we get an equation where:

If I represent the Japanese invoice value, then -

$$\frac{X + 1/1 \text{ [illegible]} \times 100}{100} = 12.5$$

and this works back to the Japanese invoice value [illegible] and [illegible]. The equation on the U.K. minimum duty figure is, therefore, [illegible], where the landed duty. Japanese goods could be landed at 12.5% per annum before the amount yielded by the regular duty would exceed the minimum duty.

Since returning from Ottawa, I have reviewed our own tariff situation [illegible] the size of our yearly income and the [illegible]

validity of present orders on our books, I can only conclude that it would be sheer folly to continue producing more rayon goods in the Rayon Division of our Sherbrooke Branch."

THE WITNESS: Does it say in the greys there, or Rayon Division?

MR. McRUER: No, it says "More rayon goods in the Rayon Division."

Then the letter continues:

"I have, therefore, made arrangements for that mill to cease operations tomorrow night; and it will have to remain closed until we can have some reasonable grounds for assuming that goods produced can eventually be sold at a price level in line with cost of production. The mill in question employs between 500 and 600 hands, or approximately 50% of the total employees in the Sherbrooke Branch of the Company.

I am hoping that, in spite of the rather indefinite promises of immediate action made by Mr. Dunning, something will be done to stabilize the whole situation so far as landed values on all types of textiles from Japan are concerned. I think the idea of waiting for the situation to develop is tantamount to watching a fire make headway before attempting to bring it under

control, and I am afraid the longer the Government holds off the more difficult it will be in the end to make the changes which are absolutely necessary if our whole industry is to be kept in the picture."

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(Page 2124 follows)

THE COMMISSIONER: Will you put that in now?

MR. McRUER: Yes, my lord.

THE COMMISSIONER: Then that will be Exhibit 149.

EXHIBIT 149: Letter from Mr. Gordon to Mr. McKinnon, dated 16th January, 1936.

THE COMMISSIONER: How do you describe that, Mr. McRuer?

MR. McRUER: It is a letter from Mr. Gordon to Mr. H.F. McKinnon, the Commissioner of Tariffs, my lord,

THE COMMISSIONER: And it is dated?

MR. McRUER: The 16th of January, 1936, received at the Department on the 17th.

THE WITNESS: After I wrote that letter, and it was actually in the mail, I found I had not dealt properly with that British figure.

BY MR. McRUER: Q. I will deal with that, Mr. Gordon. A. You know that, do you?

Q. I have another letter in which you correct your arithmetical calculations? A. Yes, that is what I want to draw to your attention.

MR. GEOFFRION: What number is that?

THE COMMISSIONER: Exhibit 149.

MR. McRUER: Now, the sequence of events appears to be this --

MR. GEOFFRION: Could the correction be put in first?

MR. McRUER: I am not going to worry about arithmetical calculations at the moment.

THE WITNESS: It does change the import to some

[illegible]

[illegible]

[illegible]

extent, does it not?

MR. GEOFFRION: Why not put the other letter in now?

THE WITNESS: The first part of the letter in which I deal with the effect of the British tariff, my calculation, as I found out after that letter had been mailed, was not strictly correct, and so I revised it..

BY MR. McRUER: Q. Instead of 87 it should be some other figure? A. I cannot remember the exact figure.

A. I have brought the correcting letter here.

BY THE COMMISSIONER: Q. You found a difference of 24 and a decimal? A. Yes, I think it is more in respect of the Japanese value that must have been in the minds of the British Customs; it is quite evident, I think, from the second letter.

MR. GEOFFRION: Couldn't it be put in now?

MR. McRUER: If I could get on and not be interrupted; I have the letter in my hand and propose to file it.

THE WITNESS: I did not mean to interrupt; I was just telling you you had the letter.

MR. McRUER: The letter is dated the 16th January, 1926.

THE COMMISSIONER: Who is it from?

MR. McRUER: It is from Mr. Gordon, to H.B.McKinnon, and it is dated 16th January, 1926.

THE COMMISSIONER: It is the same date.

THE WITNESS: Yes, my lord. The first letter was in the mail, and I was leaving that night for Providence, and so I wrote the second letter as quickly as I could and got it out the same day.

THE COMMISSIONER: All right, let us hear it now, Mr.McRUER.

MR. McRUER: The letter, my lord, reads as follows:

"I have checked over the form of calculation contained in a letter which has already gone forward to you to-day in connection with Japanese prices of rayon goods and now realize that the form of equation I set up is wrong in that I have shown the 33-1/3% duty as being levied against the Japanese invoice price whereas actually, of course, as stated in my letter, it is on the resale price in the U.K.

The proper method of working back to the Japanese invoice price is as follows:

With a resale price of $2.60 per pound, and assuming a 20% mark-up to the distributor, we get a landed price in England of $2.16 per pound. From $2.16 per pound we should subtract the duty collected of 86.52¢, giving a Japanese invoice price of $1.29½ per pound which, you will note, is just slightly higher than the former fixed Canadian valuation of $1.23 per pound.

I am writing this in rather a rush as I have to catch a train out of town to-night, and will be away for the next four or five business days."

THE COMMISSIONER: That is Exhibit 150, Mr. McHuert

MR. McHUEN: Yes, my lord.

BY MR. McHUEN: Q. Now, leaving out of the question your arithmetical calculations, I want to get down to the sequence of events that happened that week. First, we have on Monday, a notice or a statement to Mr. Hershaw, by Mr. Daniel, that the plant at Sherbrooke should curtail production because of the machinery at Magog being insufficient to handle the production. Then we have on Tuesday your interview with the Minister of Finance, the Minister of National Revenue, and the Minister of Trade and Commerce; and, apparently, there was a discussion about the quotations on Japanese goods that you had, that is right? A. Yes. As I mentioned this morning, those quotations were used to instance the level of Japanese values.

. And the only quotations that you actually had were the Fisher quotations? A. No.

. The only actual quotation that you had?

. No; we had quotations, as I mentioned yesterday, in Japanese yen as well which coincided and worked out to the landed value of the Fisher quotation.

Q. But they were quotations in the American market? A. Oh, no, quotations by other agents in Toronto.

Q. Did you have an actual letter from them, quoting them? A. No. I think some of those quotations were made verbally.

Q. Some made verbally by some --

BY THE COMMISSIONER: Q. By whom? A: By a gentleman called Mueller, representing Mitsui of Japan.

BY MR. McRUER: Q. But you did not have a letter from Mueller actually quoting, indicating that anything in the nature of a contract could be established? A. I would be certain such a letter had been seen.

Q. But you had not seen such a letter? A. Personally I did not have it, but I was only one of a group; I did not give all the evidence, nor did I do all the talking.

Q. You did not see one that day, indicating that quotations had actually been made, under which any one could expect to make a binding contract? A. I cannot answer that question, Mr. McRuer. The letter may have been available, or in existence, I cannot tell you that.

Q. Well then, there was no other quotation other than the Mueller quotation that you had, was there? A. I had heard that other quotations had been made by other agents.

Q. I should have thought that on an important matter like this you would have produced the evidence and would have said to the Minister, Now, we have here so-and-so? A. Mr. Bonner, in our business, we know pretty well what is going on, and we hear quite a lot of gossip.

Q. Well, may I suggest it is pretty idle gossip? A. That is your suggestion.

Q. That may be a difference of opinion. A. Oh, no. Mr. Dunning and his ministers, so far as I recollect the interview, did not ask to see any particular figures.

Q. But did not they say to you, that we had better know whether these are actual quotations on which goods will be delivered at those prices before we determine on any course of action? A. I do not recollect any such statement made by one of the Ministers.

Q. Will you say it was not made? A. I would say, to the best of my recollection, it was not made.

THE COMMISSIONER: I think he told us before, that something similar was said.

THE WITNESS: I think I told you---

THE COMMISSIONER: And Mr. Dunning said that these people were doing that to get the wind up you, so to speak?

THE WITNESS: What I said was, that the attitude

- I should also remark that we are interested, unless this jury would have produced the evidence that would have said to the minister. Now, we have more so-and-so. - Mr. Hooper, in our business, we know pretty well what is going on, and we know quite a lot of gossip.

- Well, may I suggest it is pretty late gossip - that is some evidence.

- There may be a difference of opinion.

A. Oh, no. Mr. Dunning and his colleagues, so far as I recollect the information, did not ask to see any particular witness.

- You did not say to - to you, that we had better hear Mr. Hooper since are normal quotes and - which you will be delivered at three p.m. before we proceed in the course of evidence? A. I do not remember any such statement made by one of the - members.

- Did you say it was not - I should say, to the best of my recollection, it was not - .

The Court Reporter: I think he said - before, that necessary minister was with.

Mr. Hooper: I think I said you---

The Commissioner: And Mr. Dunning said some people were going that to get the wind up, - be correct?

The Witness: I did not. But the minister

of the trade, - and by trade I mean our customers and also the people using the goods. That Mr.Dunning said was, you say you are getting letters from your sales officers, and we said Yes, we were getting letters from our sales officers asking us what we were going to do about this situation.

Q. About what situation? A. About those Japanese prices which they had received from Fisher.

Q. Exactly, that is what I say; it was about the prices being ~~say~~ circulated by Fisher, and what did Mr. Dunning say to that? A. Mr.Dunning said to that, that the trade may be asking those questions from Fisher and telling you how much they are ~~have~~ alarmed about these new values in relation to your product, to put the wind up you a bit and bent down your prices; that was the significance of his remarks.

Q. Was did not he add, you had better wait and see whether this materializes?

A. Well, yes, in general terms I think he said that was his opinion, that the thing should be allowed to develop.

Q. That is what you told us? A. Yes, that is all, that, in his opinion, the thing should be allowed to develop.

BY MR. MACNAMARA: Q. To see whether it was going to materialize, that goods would be actually delivered at the prices that you told them were being quoted? A. I think there was more to it than that, Mr. Mahar.

I think he wanted us to see whether the same prices would be quoted, how widespread it would be, and whether the trade would keep on working trying to place business, and so on.

Q. Now, can you produce letters prior to the 14th January, 1936, from customers stating to you that quotations had been made on Japanese goods, and that they were wanting to know from you what you were going to do about it? A. Yes. A lot of that type of evidence would naturally result from interviews of our salesmen with customers.

Q. No, no. You told us just a moment ago, or you told his Lordship that you had got a lot of letters from customers? A. I don't think I said any such thing, sir.

Q. Well, just let us have what you did say?

-- Reporter repeats.

Q. Have you got the letters from your sales officers asking you what you were going to do about the situation? A. Yes, we can produce such letters.

Q. From your sales officers? A. Well, I think what I really said, or meant to say, "sales offices".

Q. From your sales offices, then? A. At the moment, I can think of a letter from Winnipeg.

Q. A letter from Winnipeg? A. Yes.

Q. Asking you what you were going to do about this? A. Yes.

5 Q. Well, do you know of any reason why you would not be willing to a trial, the witness would be, and [illegible] the business, and so on.

A. Now, was you working [illegible] prior to the [illegible] January, 1928, from conversations [illegible] 's conversations had been made on [illegible] 10 and that they were anything to know from you that you were going to do about it? A. Yes. A lot of [illegible] of the [illegible] conversations of our [illegible] with [illegible].

A. No, no. Was [illegible] or just a [illegible] 15 or you told his [illegible] that you had [illegible] a lot of [illegible] [illegible].

A. Well, just let us have what you did say [illegible] [illegible].

20 Q. Have you got any [illegible] from your [illegible] [illegible] you what you were going to do about [illegible]? A. Yes, we had [illegible] [illegible].

25 Q. Was you [illegible]? A. Well, I [illegible] [illegible], [illegible] [illegible], I was [illegible] of a letter from [illegible].

Q. Letter from [illegible]? A. Yes.

30 Q. [illegible] what you were going to do about [illegible]?

A. Yes.

Q. And was that before you visited Mr. Dunning, or afterwards? A. Oh, that was before.

Q. Before you visited Mr. Dunning? A. That was following closely on receipt of these Fisher quotations by the trade.

Q. Now, I want to get all the letters from your sales offices up to that time that you had in your hands, because you are giving us the idea, rightly or wrongly, that there was widespread feeling--A. If you want your record complete, you should also get letters written to some of the other companies.

Q. Well, I have only got you in the box just now, Mr. Gordon? A. If you want to get the complete story I can tell you exactly the way you can get it.

Q. You did not take any of these letters to Ottawa and show them to Mr.Dunning? A. Letters were shown to Mr. Dunning, yes.

Q. From your salesmen? A. Not from our salesmen.

Q. Then, so far as you are concerned, were there any letters from any of your salesmen complaining about that, that you showed to Mr. Dunning? A. Not that we showed to Mr. Dunning.

Q. And did you have any more than the one letter from the man out in Winnipeg? A. We had, I imagine. Well, I must not say that, but I am pretty certain we had what we call our teletype communications from Toronto in the same respect.

Q. So that you had two? A. Yes, if you want

Q. And was that before you visited Mr. Dunning, or afterwards?

A. No, that was before.

Q. Before you visited Mr. Dunning? A. That was following closely on receipt of those Kinder quotations by the trade.

Q. Now, I want to get all the letters from your salesmen to the time that you had in your mind, because you are giving us the idea, clearly or roughly, that there are eliminated letters. If you had your Toronto salesman, you would have got letters written to some of the other companies.

A. Well, I have only got you in the box just now, Mr. Cooper.

Q. If you want to get the complete story I can tell you exactly the way you have got it.

A. You did not take any of those letters to Winnipeg and show them to Mr. Dunning?

Q. Letters were shown to Mr. Dunning, yes.

Q. From your salesman? A. Not from our salesman.

Q. Now, so far as you are concerned, were there any letters from any of your salesmen complaining about Kinder, but you showed to Mr. Dunning? A. Not that I remember at the moment.

Q. And did you come any more than the one letter from the man out in Alberta? A. No that, I know of, I mean not any more, but I am pretty certain that when we call our letters communications from agents in the same category.

to limit it to two, but there may have been more.

Q. Will you get all you had? A. I will get everything bearing on that point, Mr. Arthur.

BY THE COMMISSIONER: What is the teletype? A. It is an automatic typewriter. You punch the keys at one end and it comes out at the other.

BY MR. McRUER: Q. You say Mr. Dunning had said something about immediate action, but he evidently was not definite enough and clear enough to suit you? A. I cannot subscribe to that directly.

Q. Well, here is what you say in your letter:

"I am hoping that, in spite of the rather indefinite promises of immediate action by Mr. Dunning, something will be done to stabilize the whole situation so far as landed values on all types of textiles from Japan are concerned."

That is what you say, Mr. Gordon:

"I am hoping that, in spite of the rather indefinite promises of immediate action made by Mr. Dunning,--"

A. I am hoping that.

Q. Hoping, yes. Oh, I beg your pardon, that is right.

THE COMMISSIONER: He is hoping what?

BY MR. McRUER: Q. Yes, in spite of the rather indefinite promises of immediate action made by Mr. Dunning, something will be done to stabilize the whole

situation so far as landed values on all types of textiles from Japan are concerned."

A. Yes.

Q. that I am saying is this, you say, the rather indefinite promises made by Mr. Dunning? A. Well, they were just rather indefinite; that is all you can say about it.

Q. Well, to tell me something is indefinite, what do you have in mind in connection with the reference to Mr. Dunning? A. I think what I had in mind was the effect with Mr. Euler.

BY THE COMMISSIONER: Q. You see, Mr. Dunning could hardly make a promise of immediate action indefinite? A. The language is not very clear, your lordship. The letter was written in rather a hurry that day. What I had in mind was, that Mr. Euler at that meeting asked us whether lower values than 1.25 might solve the problem, that is, might equate the landed value without cost of production, and we said Yes, we thought probably it depended on the type of goods, the class of goods, and Mr. Dunning intimated that the Department, or that he would have the matter followed up, and that some investigation might be made of our cost of production in relation to Japanese values. I don't know, that was what was more or less in my mind.

BY MR. McPHER: Yes. I think that is getting it pretty well, so that when you left Mr. Dunning there was a conversation with Mr. Euler, about a lower fixed value, or an inquiry made by Mr. Euler, at any

rate, as to whether a lower fixed value than 1.25 a pound might be of assistance? A. Yes.

BY THE COMMISSIONER: Just a minute, please. This fixed value of 1.25 a pound has disappeared?

A. Yes, but they knew it had been in existence.

Q. Under Section 43, that is, it had gone by the board? A. Yes, it had gone by the Board; we did not come and ask for 1.25.

Q. Apparently that was what was in Mr. Euler's mind, of whether another fixed value less than 1.25 would not be enough? A. Yes, that was his point.

Q. Did he suggest any particular value?

A. I don't think so, because it seemed a question of whether there should not be different values on different types of goods, and at that same meeting, as I remember it, after Mr. Euler had made that suggestion, there was some casual, - well, some conversation between the three ministers, in our hearing, of course, in a general way, as to whether any such thing could be done so quickly following the withdrawal of the fixed valuation of 1.25. It was more or less of a --

BY MR. McNURR: Q. At any rate, on the 14th you left the Ministers. The Minister of Finance had told you that they proposed making further investigations in regard to that very matter?

A. I think he said that they might. I don't think it was definite, sir.

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Q. Well, I would like to have your answer as you put it before.

-- The Reporter read previous answer, as follows:

"A. And Mr. Dunning intimated that the Department, or that he would have the matter followed up, and that some investigation might be made of our cost of production in relation to Japanese values."

BY THE COMMISSIONER: Q. I see, an investigation into the actual cost of production, in Japan? A. No, I don't think he was concerned with the cost of production in Japan. I think the cost of production referred to there, sir, was the cost of producing these goods in Canada.

BY MR. McTUER: Q. Well, Mr. Gordon, at any rate we are quite clear on this, that when you parted company with the Ministers the matter of fixing some lower value than the 1.15 was still under consideration, and probably further investigation was going to be carried on in regard to it? A. I would say, Mr. McTuer, that we had a very pleasant reception by Mr. Dunning, and Mr. Ilsley and Mr. Euler, and that we were given nothing definite to go on.

Q. Mr. Gordon, you heard my question? A. Yes.

Q. I was not asking anything about the pleasantness of your reception, or otherwise? A. I am trying to tell you what we were given.

Q. I am taking it from your own evidence, that when you left Mr. Dunning had told you, at any rate, that they might follow that up; and Mr. Euler,

during the conversation had asked you if some lower figure might suit? A. Yes.

Q. You had not submitted any lower figure that you would say would meet the situation, had you? A. No, we had not submitted any figure.

Q. You had not submitted any figure, but you had all agreed that 1.25 was too high? A. No, I don't think so, not in every case.

THE COMMISSIONER: Mr. Gordon did not say that, Mr. McRuer.

BY MR. McRUER: Q. ~~-hat,~~ But, in some cases, it was too high? A. Yes.

Q. There was certainly something that you would term "indefinite", promised by Mr. Dunning; he was holding out some hope of action, of meeting you some way on the subject matter? A. Well, I cannot say what was in Mr. Dunning's mind.

BY THE COMMISSIONER: Q. He gave you hope anyhow? A. Yes, we were hopeful that something might be done, but the main thing was that we really had nothing definite to go on.

BY MR. McRUER: Q. Well, your letter says:

> "I am hoping that, in spite of the rather indefinite promises of immediate action made by Mr. Dunning, something will be done to stabilize the whole situation so far as landed values on all types of textiles from Japan are concerned."

So if I am to take the words of your letter written

written the next day assuming anything, there was something that you could term as an indefinite promise of immediate action, given by Mr.Dunning?

A. Yes.

Q. Yes. Then without further communicating with the Department at all, you issue an order to close the mill at Sherbrooke, and put 400 or 450 people out of work? A. Yes, an order was issued to close down the mill.

THE COMMISSIONER: On what date again?

MR. McRUER: The order was issued on the 16th.

THE COMMISSIONER: Before the date of the letter?

MR. McRUER: Before this letter was written, an order was issued on the 16th; you were there on the 14th.

THE COMMISSIONER: You mean in Ottawa?

MR. McRUER: Q. You were in Ottawa on the 14th? A. Yes, that is right.

Q. Did you intimate to them, in Ottawa, that if some action was not taken the mills would be closed? A. Yes, I think, in the course of conversation, I at one time mentioned that if we could not book further orders our mills would have to close down.

Q. What did you mean by "Booking orders"? "If you could not book further orders?" A. Receive further orders.

Q. Well then, when you use the term "Booking

orders" you meant receiving orders, not placing orders by yourself.

THE COMMISSIONER: He means receiving.

THE CITAREN: I mean, receiving orders.

BY MR. McRUER: Q. So that when you used the term in this letter of January 15th, written to Mr. Kershaw:

"We have made representations in Ottawa in the proper quarters, but, until some action is taken by the Government to stabilize the situation, it is quite impossible for us to book any further orders."

You mean, it was quite impossible for you to get any more orders in Canada? A. Oh no, sir.

BY THE COMMISSIONER: Q. You mean orders as between Magog and Sherbrooke? A. Yes. We placed orders directly on Sherbrooke from Magog.

BY MR. McRUER: Q. Is that what you meant there; those two plants are both operated by the same company, and when you wrote to Mr. Kershaw and said you could not book any more orders you meant that town for, as I may show later, to be spread out among the populace? A. No, Mr. McRuer, that is the statement you are making.

Q. Well, it looked like it? A. I think the whole point in this letter, Mr. McRuer, if I may say so, was that it was not written for newspaper publication, or any such purpose, or for general

discussion. It was written as between one man engaged in the business and another, and Mr. Kershaw was quite well aware what was referred to there. It was not written for newspaper publication, as I say, but for Mr.Kershaw.

Q. I know it was not written for my information? A. I did not know you even existed at that time.

Q. Well, we are both being educated as we go along. A. I am very glad to find out.

Q. Mr. Gordon, you say in this letter to Mr. Kershaw, that until some action was taken by the Government to stabilize the situation, it is quite impossible for us to book any further orders. Did that mean, that you would not be in a position to book any orders at all? A. He would not interpret that to mean that he would not take orders from the trade because we naturally would have to clear up our inventory at some figure or other. The point was, Mr. McNuer, that there was no use, from our angle, placing any more goods in process or in production than was necessary.

Q. Why did you not close the Montreal Cotton Mills? A. Well, the situation there was quite different, Mr. McNuer.

Q. Why did not the other people in the industry close their mills?

MR. GEOFFRION: Let him finish his answer, please.

THE WITNESS: I should explain, Mr. McNuer, that the Montreal Cottons live on what you might call

a hand to mouth condition to a much greater degree than exists between Sherbrooke and Magog; the two plants are right together.

Q. You did not have the big surplus stocks out at Montreal Cottons that you had at Sherbrooke? A. I would not say that, Mr. Meuser. I would say there was not the reservoir of grey goods as between the grey side of the mill and the converting division, for the converting division to draw on.

Q. Now, Mr. Gordon, can you explain to me why no other factory in Canada engaged in the manufacture of rayon closed at the same time, because they would be faced with exactly the situation that you were faced with? A. Well, I cannot explain, but I think other factories could probably tell you that they had either already closed off that part of their production, or intended to do so.

Q. The rayon part of their production, and laid the men off? A. Yes.

Q. That they had already done it? A. Well, let them speak for themselves.

Q. Before January 1st, or between January the 1st and the 16th? A. I cannot be specific, Mr. Meuser.

Q. You do not know of another company that did close ? A. I heard statements in Ottawa, to that effect.

Q. That they had closed? A. That they had ceased production of those lines.

Q. Who said they had ceased production of those lines? A. To the best of my recollection, Mr. Tolmie, of Canadian Cottons, made some statement to that effect.

Q. I would like to know what statement it was that you recollect Mr. Tolmie made to that effect? A. I cannot repeat his words, but he made a statement to that effect.

Q. That they had ceased producelon of rayon? A. Of rayon. I cannot tell you; I am not entirely familiar with it; I also recollect that I think Mr. Marx of Associated Textiles made some statement in that connection.

Q. That they had ceased production? A. Of a portion of their operations.

Q. Of a portion of their rayon lines? A. Yes, a portion of their rayon lines.

Q. A portion of their rayon lines on account of Japanese competition? A. I cannot say whether they attributed it to that cause or not; they mentioned it at that time, certainly.

Q. As a matter of fact, Mr. Gordon, the whole rayon picture was changing this year because of over-production in Canada in rayons, was it not? A. Well, that is a large question, that I don't know.

Q. Well, I am just asking. A. What do you mean when you say the whole rayon picture was changing? A.

Q. Well, you know what I mean by that?

.. I tried to explain to you yesterday that there has been a swing, - you said you were not interested, but there has been a swing from rayon mixtures, a very decided swing; going back a few years, perhaps three years, we were as big a factor in the rayon mixture field as we are to-day in the all-rayons field.

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(Page 2145 follows)

A. I rated so explain to you yesterday that there has been a swing. - You said you was a not interested but there are been a swing from Ryan adherents.

a very cautious swing: going back a few years, several years, we were on big a flood in the Ryan airport field as we are looking in the air-traffic field.

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(Jane Alan Toilows)

Q. Well, go ahead. A. And in the interim in the swing from rayon fabrics to all rayons we got less out of the picture a little bit but we felt that as we had been in that type of business before even the silk mills were fit to engage in rayon manufacture to any large extent that we had as much right to the business as any body else and so our plans were made along these lines and we developed this mill at Cornwall, got it into production and intended, in order to keep our costs of operating as low as possible, to run it as fully as possible at all times.

Q. Well, I am coming back to that somewhat later about the general condition of rayon production in Canada but I want to refer here to this letter your language in this letter, exhibit 140.

"Since returning from Ottawa, I have reviewed our own rayon situation carefully, and, in view of our present stocks and the doubtful validity of present orders on our books."

What were you referring to as to "the doubtful validity of present orders on our books"?

A. I had reference there to the fact that if a customer was fit to cancel orders with us because he could get the goods cheaper from another source that those orders might be cancelled.

Q. You have not a single notice from any customer whatever at that time that he proposed to cancel orders on your books on account of being

ship to purchase - - ? A. Yes, we had a good many intimations to that effect.

Q. Had you then in writing? A. No, most of them made to our salesman and we told our salesman not to encourage it.

THE COMMISSIONER: Q. Well, that would be in writing? A. No, our salesman, sir, call on these people.

Q. I mean, how did they indicate to you? A. They are right here in Montreal, many of them.

Q. All this is oral? A. Yes, the most of it is.

MR. McMURRY: Q. Any of it in writing? A. I think I could find you a cancellation in writing, intimation that they wanted to cancel.

Q. In writing? A. Yes, sir.

Q. From purchasers? A. Yes, or possibly in writing from salesman who had been in touch with that purchaser.

Q. Because of Japanese quotations? A. Yes: it would come back to them.

Q. That they wanted to cancel their orders with you? How many yards was involved in any threatened cancellation of orders? A. I cannot tell you off hand.

Q. Was there 100 yards? A. Yes, the minimum of the order in every case could be over 100 pounds because - - -

Q. I want to know what it was you were revising so carefully that you brought your mind to bear on before you threw these people out of work?

A. I had not quite finished my answer - because a small balance of 193 yards would be written off the books in any case.

Q. I want to know what orders, if you could give me any, that were threatened cancellation on January 16th. A. No, I cannot give you the date.

Q. Now, had you any data put before you to carefully review on which you made up your mind on which there was the doubtful validity of present orders on your books? A. Yes, I knew the total of our orders at that time.

Q. Yes, I have not the slightest doubt you knew the total. A. I knew the ~~xxxx~~ relation of that total to our total volume of goods on hand or in process being manufactured.

Q. Yes, but I want to know what data you had where any of that total was threatened?
A. Well, Mr. Nesbitt, it is very difficult perhaps to explain to you just how a person in the business, on what they base their judgments but we have to be - you have to be in the business and be aware of the sentiment of the trade, and I would say there was a very distinct sentiment in the trade that this Japanese competition was a serious factor and that, so far as we knew, it might a good deal worse.

Q. At that time you had not an order cancelled? A. I wont say - it was in status quo, cancellation had probably been asked for and we had not accepted it.

Q. Tell us one cancellation that had been made for at that time? A. I think just from memory that a firm in Mates wrote in a definite letter.

Q. What is the name of that firm?
A. Gauvreau, Beaudry and Company.

Q. How big was Gauvreau Beaudry's account with you? A. I would not tell you at the moment.

THE COMMISSIONER: Q. What did they do?
A. They are wholesalers.

Q. What did they do? My impression is that we had a letter from them in which they definitely requested cancellation of the undelivered balance of order.

Q. No reason for it? A. Yes, I am sure the Japanese competition was referred to.

Q. You could produce that letter? A. Yes.

MR. McGILLIVRAY: Q. You do a large business with the Robert Simpson Co.? A. Yes. mail order business.

Q. I do not care whether mail or not - you do a very large business with the Robert Simpson Co. A. I say we do a very large mail order business.

Q. You had a large business with other large departmental stores? A. Yes, sir.

Q. Not a single one of your big departmental stores had threatened to cancel a single order on account of Japanese competition, is that true? A. I cannot verify that. I cannot subscribe to that at the moment.

THE COMMISSIONER: Q. What, you dont know? A. I dont know whether they had actually cancelled orders or talked of cancellation or intimated their reaction to the Japanese situation so far as our particular - - -

Q. Do you know today? A. I knew at that time.

Q. Looking back now? A. No, I can give little further than that; I knew at that time that one of Eaton's men, one of their buyers, had written a letter to one of the other companies in Canada in which he expressed himself with respect to the Japanese competition and I think that letter or part of it was read in Ottawa that day.

MR. MOKER: Q. And dealing with what you were reviewing when you went back and decided there was doubtful validity of the present orders in your books and wrote in such a wholesale language to the Department of Finance? A. I dont know, if you think the language is wholesale - -

Q. Well, you said "in view of our present stocks and the doubtful validity of present orders on our books"? A. Yes.

Q. I want to know why you were telling them of the doubtful validity of the present orders on your books? A. Because it was quite evident to myself or any other person engaged in the business that if these Japanese values persisted that even the business that we had booked ahead, apart from our stocks of unsold goods, that even some of that business might be cancelled.

Q. Have you had any cancellations up to date? A. I think as a result of some of the requests made at that time that we did make cancellations.

Q. Now, you cannot tell me definitely right now of any cancellation of any substantial order you have had up to date on account of Japanese competition. A. No, I cannot be specific about it, no.

Q. I am just trying to get back to the position that you, as a very careful and experienced business man would take on a matter before closing up a mill, and if your reasons as expressed in this letter were the reasons I want to get on what they were founded. A. Well, as I said a little while ago, perhaps it is hard for - even for myself to make it plain to you how somebody engaged in the business has to arrive at their decisions. It may be hard to make it plain to you.

Q. Alright, I heard that. Was I interrupting you? A. I was thinking as I was speaking perhaps. I was hesitating a bit, and these reasons cannot be put down in black and white; there may not be specific cancellation or a great volume of cancellations but we have to trim our sails to the wind as it were and be guided by perhaps what you might call straws to see which way that wind is blowing.

Q. I take it that you got more than mere straws to guide you before you close a mill - dont rely on straws? A. We rely on the best evidence that we have at hand.

Q. And the best evidence you had in hand was that you had not had any cancellations of orders?

MR. GORDON: No, he did not say that.

MR. BERGER: Q. You cannot name me a cancellation yet? A. No, you are trying to put - well, I wont say you are trying to put me - I am being put in the position at the moment of having to give a great deal of detail which is perhaps beyond any one person, even if I did know it at one time, to keep in their head.

Q. I am only dealing with an extremely important matter and that is the closing of a mill and that is not done without some very good reasons and - - - A. It was a temporary suspension of operations.

Q. Well, we will deal with what you say about it. What do you mean by "temporary suspension of operations"? A. I mean that we ceased producing goods on the 17th, at the close of business on the 17th of January and were in a position to resume on the same scale or to formulate our plans in the meantime and re-open again, either to run out the mill, if that was necessary, or to continue production on a larger scale or the same scale or similar scale.

MR. CONSTANTINE: Q. When did you re-open? A. On January 29th.

MR. BERGER: Q. Why did you put it in this way to the Minister or to Mr. McInnon when you were writing: "I have, therefore, made arrangements

for that mill to cease operations to-morrow night; and it will have to remain closed until we can have some reasonable grounds for assuming that goods produced can eventually be sold at a price level in line with cost of production." If you were just closing it temporarily to see what the situation was going to be why did you put it that way? that it was going to remain closed until we can have some reasonable grounds for assuming that goods produced can eventually be sold at a price level in line with cost of production? A. Well, again, I think that the thing is perhaps not so inconsistent as you think. In the period of closure - indefinite, if you like, at that time - we would undoubtedly seek to find out exactly what lines we could put into process even if only for the purpose of working off our stocks of yarn, rayon yarn, our stock in process which were still flexible to some extent. So that the thing was not definite from that angle.

THE COMMISSIONER: Q. What thing was not definite? A. The closing, sir.

Q. Did you have to close it at all in order to find out whether you had what you are saying now? A. Yes, I considered we should have some weighing period in which to determine just how things were going to go before we could be in an intelligent position to make up our minds as to a future policy.

Mr. McKEON: You had four fabrics in the course of weaving at the rayonmill, did not you? A. I think there was probably other sample lines

running.

Q. Outside of sample lines, you had four fabrics in the course of weaving? A. Four main lines of production at that time.

Q. And you went on producing these four main lines of production? A. No, there was other changes, 2013 run at that time and also being run out. It is in the Cherbrooke evidence.

Q. They were being run out and being replaced but you did not need to stop the weaving of those fabrics that were on the looms in order to conduct the investigation that you suggest now that you were commuting during the week that the mill was closed. A. Well, I do not agree with that, Mr. McNair.

Q. Why? A. Because even with the warp in the loom and with your warp established as a definite factor, there are still different things you can do at that point to change the character of your product.

Q. There was not a single one of those that was due to run out before two or three weeks time? A. How do you mean "due to run out"? The warps were there. I dont know how you mean. Although the warps were fixed and perhaps there was anywhere from 600 to 1000 yards on those warps, but they could be woven still into varied fabrics different than what were running on January 17th.

Q. You ran on after January 17th and ran it on the same loom? A. No, as pointed out at Cherbrooke, changes made.

Q. The changes that were made had nothing whatever to do with Japanese competition, did they? A. I dont know, that is a very broad statement.

Q. The changes that were made were changes which would have been made if the same tariff had prevailed after the first of January as before. A. No, sir, I cannot quite agree with that.

Q. In what way did the changes make any difference? A. The changes in the mill? ~~xxxxx~~.

Q. The changes that you made down there if any? A. It changed the character of the output to some extent.

Q. In what way was the character of the output changed? A. Well, as I recollected, we started to go into production on what we call - I think it is referred to as "crepon", the R.s.C, which was another type of crepe. We decided to discontinue production on that particular one. The R.A.A we decided to discontinue production on as rapidly as the looms could be run off.

Q. Now, I have the dates on the record on which each one of those styles was expected to be discontinued and we will just check with that date later on as to whether they were curtailed at all. A. What do you mean by "expected to be discontinued".

Q. Well, Mr. Pershaw gave the dates to which they expected to run the different styles that was on the looms. A. I know what you have in mind but you are thinking of the orders that were placed, when the orders to run out 7 weeks, &c.

Q. Yes. A. We can explain that when we come to it.

Q. I want to go on with your letter. What assurance did you get between the 17th. and the 19th that made it reasonable ground for assuming that goods could be produced which can eventually be sold at a price level in line with cost of production? A. I think one of the most hopeful factors which I found when I came back was that while I was away Fisher had withdrawn his quotations.

Q. Then did you learn that Fisher had withdrawn his quotations? A. I learned that definitely when I returned.

Q. When? A. On Thursday, January 22nd.

Q. That Fisher had withdrawn his quotations? A. Yes.

Q. By any chance were those quotations of Fisher's sent out by arrangement with the Textile Companies? A. No. There was no collusion. You would have to have an evil mind.

Q. I have an inquisitive mind. Why did you say in your letter that: "The mill in question employs between 450 and 500 hands, or approximately 50% of the total employees in the Cornbrooke plant of the Company"? A. That figure came to my mind as the working complement of the mill under the conditions on which we hoped to run it.

Q. Now, that is not what you said in your letter. A. No, it is not - - -

Q. Why did not you say - if we get a tariff bum on to suit us we will employ between 450 and 500 hands here? A. I think you will have to give me credit there perhaps for not just knowing exactly

the number of hands on the payroll.

Q. Why were you telling the Department the number of hands that were on the payroll? A. Because I wanted to make it plain that it was not all of the plant at Sherbrooke, only half of it.

Q. "The mill in question employs between 500 and 600 hands, or approximately 50% of the total employees in the Sherbrooke branch of the Company." That does not sound as though it is just making it plain to the department that this is not such a serious matter. A. I did not attempt to minimize it but I did not want to mislead Mr. McInnon that the whole plant was affected.

Q. Now, can you answer this question again - -

THE COMMISSIONER: Q. You say that Fisher withdrew his quotations? A. Yes.

Q. What form did his withdrawal take - how widespread was it? A. I believe he wrote a letter, I presume, to the people that he sent his first letter to - I cannot be certain - in which he said: "Referring to our letter of the 4th. we withdraw temporarily our recent quotations on Japanese rayon. Will be able to quote further prices middle of February."

Q. What is the date of that? A. This letter is dated January 14th, and is addressed to L.A.Anderson Company the same man as before.

MR. BOWEN: We have better have that in.

EXHIBIT 141. Letter from Fisher & Co. dated 14th January 1936.

THE COMMISSIONER: That is a letter from Fisher to whom?

MR. HOSKIN: To Anderson my lord, dated 14th. of January 1936.

THE COMMISSIONER: Q. When did that letter come to your knowledge? A. I learned of it on my return from my trip to the United States on January 23rd.

MR. HOSKIN: Q. From whom did you get your knowledge of that letter? A. Well, the letter was in the office on my return, I think I saw it.

Q. You do not know who got it from Anderson? A. I don't know who opened it or just who got it.

Q. Who procured it from Anderson? It is a copy of a letter written to Anderson? A. Well, Anderson may have brought it in himself.

Q. You do not know whom in your office got it from Anderson? A. I am not certain.

Q. Well, of course, this letter clearly indicates the wisdom of the Court suggested by Mr. Manning, and that was wait to see what would develop in regard to these quotations that you were showing so much excitement about? A. No, I think, Mr. Hoskin, the letter clearly indicates that Mr. Fisher, after becoming cognizant of the letter from the Department to their appraisers, decided that he did not know just what price he could lend the goods.

Q. And I suppose that you were cognizant of that too when you had discussed the appraisers' letter with Mr. Scully? A. No, we had not discussed appraisers' letter.

THE COMMISSIONER: That letter to the collector of Customs of the 19th of January?

MR. McKUER: 19th of January.

Q. Mr. Dunning was counselling care and consideration and you were rushing away closing a plant the next day. A. No, Mr. McKuer, it is not fair to make those statements.

Q. Why? A. Because they are not true.

Q. In the first place, Mr. Dunning was counselling care and consideration - that is true. A. Mr. Dunning was not saying anything beyond that a more or less widespread alarm in the trade might be put on.

THE COMMISSIONER: Q. In that letter, though, you say that he gave you reason to hope for something being done to stabilize the situation - you say that? A. Yes, sir, I think that is true. In in most cases I suppose a Cabinet Minister must try and send away his people - - -

Q. Never mind about that. I dont care about that. I just want to know your state of mind. You expressed it in that letter when you say as a result of the interview - read it again?

A. I certainly wanted to intimate to Mr. Robinson we were hopeful.

MR. McKUER: "I am hoping that, in spite of the rather indefinite promises of immediate action made by Mr. Dunning, something will be done to stabilize the whole situation so far as landed values on all types of textiles from Japan are concerned".

THE WITNESS: Well, the significance of it was

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I was hopeful in my own mind, I was hoping.

Q. You were hoping that but you refer to the indefinite promises of immediate action? A. Yes.

Q. Hm. In view of that why do you go out and close a mill the next day after you have been getting indefinite promises of immediate action which makes you hopeful there is going to be something done to stabilize the whole industry? A. Well, you must get the state of mourning there. I did not say I was hopeful, I said I was hoping. I was entertaining the hope, if you will.

Q. Even so that in spite of the - -

THE COMMISSIONER: Q. Your faith was not as strong as your hope? A. No, I am afraid.

Mr. HOWIE: Q. How many of the manufacturers were represented before Mr. Manning on that occasion on the 14th. - There was Dominion Textile, Canadian Cottons? A. Yes.

Q. Who is the other - associated? A. Yes.

Q. Who is the other? A. Grouts Limited and Valleyfield Silk Mills was as I remember now - yesterday I did not mention it - but I think Mr. Lundy was there representing apparently the knitting section of the trade. Mr. Todd was there representing the woollen section.

Q. I am concerned just with the rayon ones at the moment? A. Well, I thought you wanted them all.

Q. No, the rayons, those that represented manufacturers of rayon. There was Canadian Cottons. A. Canadian Cotton make rayon. I represented both Dominion Textile and Montreal Cottons.

Mr. Watson would represent Groulx Limited and Valleyfield Silk Mills and Mr. Parks represented Associated and perhaps the mills that were supplying them with their grey goods.

MR COMMISSIONER: Q. The question arises in my mind, what caused your visit then, was this competition in Japanese silk? A. Yes, but it was not the only thing. I believe there had been some information on other lines.

Q. Why were the other manufacturers there? A. Because it was felt that although there had been no - there was in one other company's valuation on cotton goods that had been wiped out by the same bulletin and that covered a comparatively small range. So that from the angle of fixed values there was just that particular section of cotton goods but, of course, the whole basis of values for duty purposes and other special duty was changed by the reduction in the value of the yen from 49.85 to 39½, because 41.4, one cent value as well became into effect nominally I think in August, 1936, it was only a gesture on the Government part towards Japan, had never produced any cessation of the trade war.

Q. You are referring to the trade war in cottons and woollens? A. Well, the surtax went on everything.

Q. I am talking of the trade war? A. The surtax was the trade war.

Q. So far you are talking of your apprehension of Japanese competition in rayons but the rayon plants

were closed. A. Yes, as far as I was concerned personally.

Q. Yes, these other manufacturers and cotton manufacturers what did they want done to protect Canadian cottons and Canadian woollens? A. Well, I dont know exactly what they thought could be done.

Q. They were there with you talking as I know they wanted - I am interested in the cotton end too. I know, speaking for the Cotton end, we wanted to inform Mr. Manning and the other ministers that while the particular import at that moment was the rayon line, it was quite likely that cottons and woollens would be similarly affected or perhaps to a greater or less degree but there was that feeling.

Q. By the invasion of the market by Japanese woollens and cottons? A. Yes, exactly.

MR. NEMETZ: Q. Well, you had got distressed before anything happened? A. Well, I do not know whether you think we can go around with our heads in the sand, we have to keep our eyes opened.

Q. Why did the others that were there not think it necessary to close the mill? A. In the rayon end?

Q. Yes. A. Well, - - -

THE COMMISSIONER: I would say in any end.

MR. NEMETZ: Q. Well, any end. A. Dealing with it broadly from the woollen and cotton ends we did not get the same fairly definite indications of what Japanese values were or were likely to be

but on the rayon and we thought we had and I do not think anything has happened since to say that those values were very far out. from every check I made on them it is very evident that Japan rayon goods can be produced at figures relevant to the 48¢ a pound that was given to you in that particular example.

Q. Now, Mr. Gordon, the mill you closed was a mill that had no rayon on the looms that was comparable to the rayon quoted by Fisher?

A. I know, Mr. McMur, but that was not the point.

Q. Just let us get that one point? A. Yes, but it has no bearing.

Q. Whether it has a bearing or not we will argue what we like from it - that is the situation.

A. I do not want you to base an argument on that situation.

Q. I will base it, if you wish? A. Yes, but I want you to be fair in basing that argument - - -

THE COMMISSIONER: Yes, do not argue.

THE WITNESS: I am sorry.

MR. McMUR: All I am getting issue fact.

THE COMMISSIONER: Evidence is one thing and argument is another. You will have all the opportunity of argument through the proper channels when the time comes. In the meantime, just answer the questions and if I think they are not of a proper tendency I will protect you.

THE WITNESS: I am quite content to let it stay with you.

but on the argument and to Counsel's as had and I do not think anything more necessary about to say that that failed very early, even every claim I made on that it is very evident that Queen argument could be produced at Counsel reference to the case. I think that was never in fact be that particular manner.

Now, Mr. Gordon, do still you claim was a will that had no argument on the Lunar that was conveyed to the argument matter by Counsel?

I know, Mr. Lunar, but this was not the point.

Just let me get this one point. Mr. Gordon is now in question.

Counsel is but a hunting or and on a will argument and as like from it - that is the argument.

I do not want you to have an argument on that application.

I will have it, if you wish. Mr. Gordon but I want you to be ready to which that argument ---

Mr. Gordon: Now, Mr. Lunar.

Mr. Lunar: I am ready.

Mr. Gordon: Can I be allowed time.

The Chairman: Gordon's to the hearing and argument in another. You will have all the opportunity of argument through the proper counsel. Then the time comes. In the meantime, just answer the questions and if I think they are not of a pertinent character I will prevent you.

Mr. Gordon: I do not wish counsel to be at all with you.

MR. BERGER: Q. I want to make sure that you agree and that is, that the rayon on the looms at the Sherbrooke mill was not of a type or character which was the same as that quoted by Fisher and you said you know that and I take it that you agree with me on it. A. I agree with you that that particular fabric that Fisher was quoting on was not a fabric that we were weaving at that time, so far as - -

MR. GORDON: All right, that answers that question.

MR. BERGER: Q. Now, in view of the fact that - -? A. At Sherbrooke mind you.

Q. At Sherbrooke, quite right. You could have been manufacturing goods that were similar to those quoted on by Fisher at Montreal Cotton? A. We had been, yes.

Q. Then the others that were there did not close down - you closed down a plant? A. No, I cannot - that is not correct. I understand that other mills had already ceased production or were going to. Now, that I cannot testify on but that was my understanding.

Q. Was not it as a matter of fact arranged that you should close your mill as a threat to the Government that if they did not do something and soon to time they would see what would happen? A. No, it was not. I did not discuss that with anybody.

Q. Was not it discussed with those that were at Ottawa after they left that that should be the course that should be followed? A. No. As I remember

what happened after we caught the train from Ottawa and while I was with any other people who had been in that group, we played bridge all the way down to Montreal.

Q. Well, then, I put this to you: Did you not as a fact close your mill in order to make a demonstration so that the Government would come to time and make a concession that would be satisfactory to you? A. No, if I had wanted it to - - If such an attitude had been in my mind I think I would have at least gone about it in quite a different way than has been brought out in the evidence.

Q. How do you suggest that you would have gone about it if you were going to do that? A. Well, I think probably the most subtle way of doing it, if you like, would have been to have made an announcement that the mill was going to be closed down in, say, the length of time that it would take to run out the process and that way would begin to run out the process and lay off hands and it would be quite evident that the mill was going out of production.

Q. You think that it would be more subtle to do it that way than to do it the day after you had been down at an interview at Ottawa and accompanying your declarations with a letter to Ottawa pointing out that 500 or 600 hands laid off and that the mill would remain closed until we have some reasonable grounds for assuming that the goods produced can eventually be sold at a price level in line with cost of production. I would have thought

that would have sounded almost like a declaration of war. A. Well, it was not intended as such.

Q. Why did you so very much over state your number of hands laid off? A. By overstatement, as I started to say, was not intentional. Even in respect to the actual facts it is not very far out.

Q. Well, they had some 433 some odd? A. 414.

Q. And you say here, between 530 and 550? A. Yes, but that 414 did not include any portion of our mechanical department which are looking after - - -

Q. Well, the mechanics was a temporary arrangement? A. No, it has a permanent staff as well. We have both.

Q. We have the pay roll? A. No, the temporary ones may have been included in the 414 but the permanent staff is run really as a separate department, but it would have been released, of course, if that section of the mill had closed down.

(Page 2170 follows.)

Q. Why did you draft, go to the trouble of drafting the notice that was to be put up in the mill at Sherbrooke, which reads as follows:

"This mill will close down on Friday, January 17th and will remain closed indefinitely."

if it were not for the purpose of more or less creating a sensation and demonstration?

THE COMMISSIONER: Pardon me, that is another exhibit?

MR. McRUER: That was sent down in a letter dated January 15th addressed to the Sherbrooke branch, exhibit 4.

THE COMMISSIONER: That was part of an exhibit?

MR. McRUER: Exhibit number 4, my lord; the letter reads as follows:

"Further to our conversation of Monday regarding short time operations."--

That was the conversation about the necessity of curtailing production? A. Yes.

Q. "Since that date further complications have arisen which necessitate more drastic action. You will therefore post the following notice in several prominent places throughout the Rayon Mills.

'Dominion Textile Company Limited, Sherbrooke Branch, rayon division. This mill will close down on Friday January 17th and will remain closed indefinitely.'"

Now, why did you go to the trouble to have that notice sent down to be posted in several prominent places

throughout the rayon mill? A. Well, so far as the general form of the notice and the posting is concerned, that is a standard practice when a plant is closing for any period, or any change in wages, or any definite information that must be given to all the help concerned.

Q. When did you ever do that before?

A. I don't know that we had ever had occasion to actually close a plant under those particular conditions.

Q. You have told me about the standard practice of posting notices. I am asking you when did you ever post notices before? A. Many times.

Q. That the mill was going to close down?

A. Well, that mill had not closed down before.

Q. In any other mill? A. Except it closed down, as Mr. Kershaw brought out, at New Years.

Q. Closed down for a week and you did not put up any notice that week? A. No, it was well understood then, sir -- you remember, perhaps, that New Year's day came on a Wednesday, and we never run the day after New Years, because New Years is a large French holiday in this province and our help need the extra day to recuperate, so it was going to be rather a broken week, and we decided that we were not in great need of the production and that we would not operate such a broken time/week, and that was understood by all concerned. The most they could have possibly got by running on Saturday morning was 3½ days of work, Monday, Tuesday, Friday and Saturday morning, so

that was a different condition entirely.

Q. Can you tell me of any other case where you took the trouble to have the manager of the mill notified to have notices posted in several prominent places in the mill about its closing down? A. About the mill closing down?

Q. Yes. A. You want that particular reference?

Q. Yes, any other case where this procedure was followed? A. I don't -- to my knowledge we did not close down any mills indefinitely. We have run short time and so on.

Q. You see, you told me it was a standard practice? A. I told you it was a standard practice to post notices when certain information should be brought to the attention of the employees.

Q. I am talking about this mill, the standard practice when it is to be closed down indefinitely? A. No, it is not a standard practice to close down indefinitely.

Q. You post notices -- you never had occasion to do it before? You never did it before? A. Yes, we have posted notices about other things many times, but this particular thing had not arisen before.

Q. I just want to drew your attention to what developed following this. A. Yes.

Q. Then, on the 16th of January a telegram was received by the department at Ottawa, or by the Prime Minister from Anthony Deslauriers of the city of Sherbrooke which reads as follows:

"Special emergency meeting City Council held to-day strongly ask that your Government intervene immediately over the situation that has developed whereby our largest flat silk industries employing over a thousand hands has suddenly closed down leaving these people without employment STOP. Our City unable to cope with alarming situation and request your Government take immediate steps to remedy this condition STOP. City cannot take care of such increased unemployment."

If you had been designing a course of conduct to alarm the government the course you followed was working pretty well, anyway, wasn't it? A. Well, I think you will find that there was a reason for that telegram being sent that you are probably not aware of.

Q. Well, if you know of any reason for that telegram being sent I would like to have it because we are inquiring into everything in connection with this? A. Well, we learned some time after that wire was sent that the city council -- the clerk there, I think that is his title, was either induced to send it or it was sent on his behalf by a certain local politician in Sherbrooke.

Q. By a local politician; for what purpose, to get the government to put on a tariff or something? What do you suggest by that? A. I don't suggest anything, sir. I am just trying to explain why the telegram perhaps is so extravagantly worded. Personally I could not imagine a city, after their relations with us over the past six years -- more than that -- seven

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"Special emergency meeting City Council held
day strongly ask that your Government intervene
immediately over the situation that has devel
whereby our largest film milk importation compa
over a thousand hands has suddenly closed down
leaving these people without employment and
our City unable to cope with alleviating situati
and taking your Government into consideration
to remedy this condition with. We cannot
take care of such increased unemployment."

If you had been conducting a course of counsel to giv
the government the course you followed was working
serious hardship. Surely, really!

As trial I
you will find that there was a reason for that tele
being sent that you are probably not aware of.

Well, if you knew of any reason for that
telegram being sent I would like to have it because
we are inquiring into everything dealing in connection with
this? A. Well, we learned some time
after the 4 vote was sent that the city council -- the
clerk there, I think that is his title, was either
induced to send it or it was sent on his behalf by a
certain local politician in Toronto.

Q. By a local politician; for what purpose, to
get the government to put on a tariff or something
that no one engages by tariff? A. I don't know
anything, sir. I am just trying to explain why the
telegram perhaps is so extraordinarily worded. Now,
I could not imagine a city, either their relations wi
us over the past six years -- more than that -- every

years, sending such a telegram.

Q. Who is the man that you suggest fomented this?

A. If what I have heard is accurate, that wire was either actually sent or was sent at the dictation or instruction of Charles Howard, M.P.

Q. That he got Mr. Deslauriers to send this?

A. Yes.

Q. Why did you just refer to him as a local politician in the way that you did? He is the member of parliament representing this district?

A. That is right.

Q. And charged with his duties, I suppose, as a member of parliament, and interested in the people there? A. Yes, I presume. I don't know what his duties are actually.

Q. I just wondered why you referred to him in the way you did? A. I was being ambiguous only because I did not know whether you wanted his actual name.

Q. Oh yes, we don't mind names here, who they are. Now, I am reading from the Order-In-Council which is on the record. It goes on to read --

"Also on the same date representations appeared in the press to the effect that according to word received from Sherbrooke uncertainty in the textile market, due in large part to Japanese competition in certain artificial silks, had forced the Dominion Textile Company to close its rayon plant at Sherbrooke, Quebec, and that the plant closed down would remain inactive until the

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"present situation in the industry has been clarified. The Montreal Gazette of January 18th, also contains the following relative to the foregoing representations:

'G. Blair Gordon, President of the Dominion Textiles'"--

A. That was not accurate, of course; I am not the president.

Q. Well, alright.

" '--who is in the United States at present, last night confirmed the report in reply to a telegraph query. His message added, Hope to re-open when we can see possibility of manufacturing goods which can be sold.'"

Is that a correct statement of what you said to the press? A. Well --

Q. Hope to re-open --

THE COMMISSIONER: Is that giving what he said?

MR. McPHEE: I am reading the message.

THE COMMISSIONER: What you are saying is that Mr. Gordon telegraphed, that is, that he telegraphed confirming the report that the closing was on account of the Japanese competition and that he added to his message these words, "hope to re-open".

Q. Did you send such a telegram? A. Yes. I was in Providence that night. That was Friday night, January the 17th. I would say fairly well on in the evening, probably between 11 and 12 o'clock, I received a telegram from the Gazette. I can get it for you if you like.

MR. McRUER: I think we ought to have these wires.

THE WITNESS: I will try and get it for you, then.

MR. McRUER: Probably it might be a convenient time to adjourn for a few minutes.

THE COMMISSIONER: Alright, we will adjourn for a few minutes.

-- Adjourned at 3.55 p.m.

-- On resuming at 4.10 p.m.

BY MR. McRuer: Q. Have you got the telegram, Mr. Gordon? A. Yes, this is the actual wire that was handed to me in the hotel.

Q. The wire that you produce is dated the 17th of January, 1934, from the Gazette to Mr. Gordon and it reads as follows:

"Asbestos artificial silks mill at Sherbrooke closing tonight until clarification of situation over Japanese competition. Number of men affected given at 500. Please confirm with any other information you think necessary. Send collect."

THE COMMISSIONER: Pardon me, that is exhibit 152, telegram --

MR. McRUER: From the Gazette to Mr. Gordon.

THE COMMISSIONER: It is dated?

MR. McRUER: Dated the 17th of January.

EXHIBIT NO. 152: Telegram from The Gazette to C. Blair Gordon.

THE WITNESS: Is the time on? I said around midnight. I am pretty sure it was late in the evening. I don't know as it is of any consequence, anyway.

BY MR. McRUER: Q. There may be something here that

gives the time. No, I don't think it does. There is a PVU -- A. No, like most telegrams it is a lot of hieroglyphics.

Q. Then, does the press correctly report your reply which is said to be --

BY THE COMMISSIONER: Q. Is the reply not there, a copy of the reply? A. No, sir, it was handed to me in the hotel, and I wrote out the reply on the form there at the hotel desk and sent it, but I did not make a copy, but I can remember pretty clearly what I said.

Q. The Gazette may have your telegram? A. Yes, I have never tried to get it from the Gazette.

BY MR. McRUAR: Q. What is your recollection of what you said? A. I said,"report correct, mill employees about 500 of both sexes". They said men so I corrected that. Then, I added these words that are already quoted in the Order-In-Council.

BY THE COMMISSIONER: Q. Were the words, "report correct" meant to apply to the whole of their telegram? A. I was thinking particularly of the first part, about the mill closing down pending clarification when I said "report correct".

Q. That was in the newspaper article, that you corroborated them? A. I was trying to correct the number of hands,sir.

THE COMMISSIONER: Read that again.

MR. McRUAR: The telegram is --

"Reports artificial silks mill at Shawinigan

"closing tonight until clarification of situation over Japanese competition. Number of men affected given at 500. Please confirm with any other information you think necessary."

Then, you are reported in this way in the press --

"G. Blair Gordon, President of the Dominion Textiles, who is in the United States at present, last night confirmed the report in reply to a telegraph query. His message added 'Hope to re-open when we can see possibility of manufacturing goods which can be sold'".

Now, you were correctly reported in this newspaper, were you? A. Yes, as I tried to say a minute ago the wording of my telegram certainly confirmed in general terms that wire. I said "report correct". I corrected the slight discrepancy in the fact that we had men and women and I added "hope to re-open".

Q. "Hope to re-open when we can see possibility of manufacturing goods which can be sold"; now, you sent that in a telegram to the Montreal Gazette expecting that it would be published to the people of the Dominion of Canada who would be reading the Gazette, and probably other papers? A. Yes, I certainly thought when I received the wire from the Gazette that they were seeking information which they apparently could not get up here, and that I should give them a reply.

Q. Is it fair to say that at that time you were of the opinion that there was no possibility of manu-

"giving foolish much clarification of discussion over Japanese communication. Number of men effective at 500. Please continue with any other information you think necessary."

Then, you are reported in this and in the press -- "Q. Under direction, President of the Dominion Textiles, who is in the United States at present, has confirmed the report in reply to a telegram today. His message ended 'Home in two-three weeks when we can see possibility of manufacturing goods which can be sold'".

Q. Somewhere correctly reported in this newspaper, were you? A. Yes, as I tried to say a minute ago the wording of my telegram certainly misconstrued in general terms that view. I said "no comment". I corrected the night dispatchy in that the 4-6 had gone and women had I added "home to two-three".

Q. "Home in two- weeks when we can see possibility of manufacturing goods which can be sold"; so, you sent that in a telegram to the Montreal Gazette confirming that it would be published to the people of the Dominion of Canada who would be reading the Gazette, and probably other papers? A. Yes, certainly there at that I received the wire from the Gazette that they were seeking information which the corporation could not give me here, and that I should give them a reply.

Q. Is it fair to say that at that time you were of the opinion that there was no possibility of manu

facturing goods which could be sold? A. It would be fair to say I was of the opinion that if we continued to manufacture goods that by the time these goods were required we would not have a market for them.

Q. You were continuing to manufacture goods at Montreal Cottons which were more in competition -- with which Japanese goods competed more actively, or one might apprehend they might compete more actively than goods manufactured at Sherbrooke? A. No. The situation at Montreal Cottons was that one of their big rayon outputs -- one of their big lines of rayon output is a lining that we have built up a business with with Tip Top Tailors, and we had entered into a joint advertising arrangement and spent quite a lot of money with them advertising this "valglo" lining of their suits, and I did not consider that on that particular piece of that rather substantial part of our production there that we would lose out, and that Tip Top would suddenly start using another type of lining.

Q. Now, Mr. Gordon, that was only one lining that you were manufacturing? A. That was one fairly substantial one.

Q. You were continuing to manufacture several other lines at Montreal Cottons and never stopped manufacturing? A. Oh yes, we stopped manufacturing the lines that were coming in from Japan.

Q. All of them? A. Well, when I say we stopped

functioning some point would be early? .. Is it not fair to say I was of the opinion that it was anything to manufacture items that by the time there were problems we would not have a market for them.

.. You were committed to manufacture goods on internal Bakelite and in competition — at the point of deciding goods produced were certain, or one of it's purposes that might consider more critically goods manufactured at Chemolite? .. Too. The nature film of Internal Bakelite was just one of many fine products — one of their old lines of moulded in a line that we have built up a business with so far for the future, and we had taken a joint investigation arrangement and found quite a lot of money with them investigating that "Bakelite" line of their moulds, and I did not consider that that particular line of that rather unfortunate part of our production there that we would have met, nor that the was really strong using moulded type of finish.

.. Now, Mr. Dexter, the two only one line that you were manufacturing? .. That was one line of moulded.

. You were contributing to manufacture (?) other lines at Bakelite Cutting and Moulding Company-Ontario? .. Yes, we discussed purchasing the lines that were coming in from Japan.

.. All of them? .. Well, when I say we stop

manufacturing we did not make any further plans to manufacture them.

Q. I am not talking about further plans.

A. I want to be specific if I may. We wanted to naturally run out these lines; if they were all widths -- that 27 inch fabric cannot be suddenly widened to something else. It is pretty well confined to that particular line.

Q. Why didn't you run them out at Sherbrooke?

A. Because I really did not feel that I was in a position to come to that, to determine a decision at that time.

Q. I cannot get for the life of me the difference. You say you have Montreal Cottons manufacturing a type of goods that one might apprehend the quotations contained in Fisher's bulletin would be in conflict with. We have Sherbrooke manufacturing a type of goods that one would not think would be in conflict because, in the first place, one is nine yards to the pound and the other is four -- five.

A. Let me try and make it clear. We have to look ahead perhaps two, three or even four months in our business, particularly at Sherbrooke --

Q. Montreal Cottons looks ahead just as well as Sherbrooke? A. As I explained earlier this afternoon at Montreal Cottons the finishing end and the grey end were very closely integrated, and we did not have a big stock ahead on our orders. You see the stock position at Sherbrooke came into it. I am not pretending it didn't.

Q. As a matter of fact, you were very much

over-stocked at Sherbrooke during December and you were taking advantage of the opportunity to close down the mill for a while to get straightened out, and you took advantage of blaming it on Japanese competition? That is the whole situation, isn't it?
A. Mr. Mahner, that isn't a question or a fair statement representing the situation. I cannot subscribe to it.

BY THE COMMISSIONER: Q. It is a question; what is your answer? A. I say it is absolutely incorrect.

BY MR. MAHNER: Q. No doubt you were greatly over-stocked? A. Not in relation to our plans.

Q. I am not talking about relation to your plans. I am talking about relation to the market?
A. I would say in relation to the market, in our anticipation of the market demand. You cannot talk about over-stocked and just leave it in the air like that. You cannot bring up those facts, as you call them, and strip them of their setting.

Q. Why didn't you say in your statement to the Gazette that you had been over-stocked in Sherbrooke and that was one of the elements in closing the plant instead of leading the public to believe that the sole thing was Japanese competition?
A. Well, because I don't consider now, and I didn't consider at that time that we were over-stocked in relation to the normal situation in the market, and if you want to get back to the basic underlying --

BY THE COMMISSIONER: Q. What do you mean by "normal situation"? A. I mean, sir, that we anticipated that even if we went on continuing to produce at Sherbrooke on a 48 hour schedule throughout at least January, February and March, that by the time we came to the end of the spring season, as it is called, for these classes of goods, that we would only have produced sufficient grey cloth for the print works to make up their finished goods from.

Q. That would be normal? A. Yes, what we were planning to do.

Q. What would then be an abnormal condition would be the introduction of Japanese competition? A. The introduction of some new element cutting across the whole picture.

Q. In this case Japanese competition? A. Yes, a new level of values.

BY MR. McRUER: Q. On Monday it had been necessary to consider cutting down on account of the insufficiency of the machinery at Magog? A. Yes, curtailment was referred to.

Q. Curtailment was referred to; that is on Monday? A. Yes.

Q. You went on and installed machinery at Magog? A. The machinery was being installed, and the machinery, to a large extent, was there, of course.

Q. I know, but you went on further and expanded it at Magog after that? A. There were certain bottle necks in the process at Magog, partly created by the fact that we were processing in January

quite a large volume of cotton goods. It was not entirely a question of new machinery. Mr. Kershaw was not in a position, perhaps, to give you the full story there.

Q. He was giving us what he had been told, apparently truthfully? A. It was not his business to know. What he acquired in a casual way was not perhaps the best evidence.

Q. Then, what was the situation at Magog? A. The situation at Magog was, as I just said, that in January certain types of machinery, which can be used for both cotton and for rayon goods, were largely engaged in processing cotton, and in addition to that we were increasing these particular types of machinery so that a little later on when the processing on the cotton had decreased, and the additional machinery was in, our capacity for processing rayon goods at Magog print works would have been very substantially increased, and we would have caught up with any surplus grey stocks that you referred to as over-stocks.

Q. Well, you were making that change at Magog? A. That change was in the process of being made.

Q. And it would be convenient to have the plant closed at Sherbrooke in view of the large stocks there were on hand there while that change was being completed, wouldn't it? A. No, sir, it would have been more convenient just to have -- from that particular angle, as a temporary measure -- to have reduced the scale of production at Sherbrooke.

quite a large volume of cotton goods". It was not strictly a question of new machinery. Mr. Hurlbut was not in a position, perhaps, to give you the full story, there.

Q. He was giving us what he had been told, apparently truthfully? A. It was his business to know. That he mentioned is a general fact not requires the best evidence.

Q. Then, what was the situation at Dundas?

A. The situation at Dundas was, as I just said, that in January certain types of machinery, which can be used for both cotton and for rayon goods, were largely employed in processing cotton, and in addition to that we were importing these particular types of machinery so that a little later on when the processing on the cotton had decreased, and the additional machinery was in, our capacity for processing rayon goods at Dundas print works would have been very substantially increased, and we would have caught up with any surplus grey stocks that you referred to as over-stocks.

Q. Well, you were making that change at Dundas?

A. That change was in the process of being made.

Q. And it would be convenient to have the plant closed at Shawinigan in view of the large stocks there were on hand there while that change was being completed, wouldn't it? A. Yes, sir, it would have been more convenient just to have -- from that particular angle, or a temporary measure -- to have reduced the rate of production at Shawinigan.

Q. Why? A. From the operative standpoint.

Q. Why would it be more convenient to still have the Sherbrooke plant producing on a small scale than to have it closed up altogether and have the employees laid off, and saving their wages, and everything else, while you were getting readjusted at Magog? A. No, if you will look at it in its entirety you will see it would not have made any difference there, from our wage angle. It probably might have been cheaper from the cost angle, I would not say at the moment, but anyway it would not have made any difference from the wage angle to us, or the general expense angle whether we ran on a month of three days a week or whether we shut down for two weeks and run full the next two. There was no particular reason why we should have shut down from that angle, and several reasons why we would not have.

Q. Now, I presume when you said in your telegram "hope to re-open when we can see possibility of manufacturing goods which can be sold" you were referring to goods at Sherbrooke? A. Yes.

Q. When did you conclude that there was a possibility of manufacturing the goods at Sherbrooke and selling them, or selling the goods that were manufactured at Sherbrooke? A. Well, I came to the conclusion after my return to Montreal that we were justified in all such changes as had taken place --

Q. Well, it is -- A. May I just go on for a minute --

Q. I asked you when? A. On my return to Montreal on January 23rd.

Q. What information was it that led you to the conclusion that you were justified in resuming manufacture and that you could hope to sell the goods that you had manufactured? A. I think the most important factor that affected my decision there was what I referred to a while ago, and that is the withdrawal of the Fisher quotations, the fact that there was some --

Q. Well,-- A. That is only one thing. I will tell you the others if you wait a minute. That was one.

Q. Alright? A. Then, when I got back to Montreal I found that Mr. Hooper was there that day and he had begun his study of these figures that you have had filed since. That was another cheerful factor, and thirdly we had actually had some improvement in the order situation which had been very bad.

BY THE COMMISSIONER: Q. In the order situation? A. I should be more definite, sir, in the orders placed, new orders placed.

Q. Received by you? A. Yes, received by our company in the week I was away. They had been very bad in the first two weeks in January compared to the previous year.

BY MR. McRUER: Q. You knew that orders sometimes

Q. Well, is it -- A. May I just go on for a minute --

Q. I asked you about -- A. It has nothing to do with Jerome Lake.

Q. The information was it that led you to the conclusion that you were justified in removing or fixtures and that you could hope to sell the property you had acquired? A. I think the core is important factor that affected my decision, along with what I referred to a while ago, and that is the withdrawal of the labor questions, the free time, all that sort --

Q. Well,-- A. That is only one point.

I will tell you the answer if you wait a minute. That was one.

Q. Alright A. Then, when I came back to Montreal I found that Mr. Hooper was there that day and he had taken his study of these figures that you have just filed mine. That was another [illegible] Timber, and which we had actually had an improvement in the owner situation which had been very bad.

BY THE CHAIRMAN: Q. In the owner situation? A. I should be more definite, sir. In the owners [illegible] and mines planes.

Q. Received by you? A. Yes, received by me sometime in the week I was away. That had been [illegible] in the first two weeks in January compared to the previous year.

Q. Mr. Hooper's [illegible]

might drop? One week you would have a lot and the next week you would not have very many. They fluctuate in every year that way. You could not fly into a conclusion as to the future of your business over a two weeks situation, in regard to two weeks orders, could you? A. Well, there was a very definite change in the whole buying policy of the trade.

Q. A definite change in the buying policy of the trade? A. Yes.

Q. That developed in two or three days? A. Yes, it developed very quickly.

Q. Then, I again suggest to you that as a careful business man why in the world fly into closing up a mill and posting notices and giving interviews to the newspapers when the situation corrects itself in two or three days? A. Mr. McRuer, I don't know whether you are speaking for effect. I presume you are, but I didn't give any interviews to the newspapers.

Q. You sent a telegram? You were only asked to confirm it but you added these words "hope to re-open when we can see the possibility of manufacturing goods which can be sold"? A. Would you mind reading the telegram again.

Q. That is quite a definite statement? A. Just read the telegram.

Q. Yes.

"Reports artificial silks mill at Sherbrooke closing tonight until clarification of situation over Japanese competition. Number of men affected

"given at 800. Please confirm with any other information you think necessary."

Now, -- A. My last words in my telegram were in an attempt to deal with what they covered in the last part of their telegram, so I don't think I went out of my way to give interviews to the press. As far as I am concerned that was the only contact I had with the press in the whole thing, that reply that I have given you in my own words to-day, which is substantially correct.

Q. Well, what I was wondering was why you were giving this statement that certainly would lead one to believe that you had abandoned all hope of ever selling any goods that were manufactured by your mill? A. I cannot agree with that interpretation, Mr. McPuer. That is your own. I cannot put that on it myself. I don't know whether a reasonable person would.

Q. You had not abandoned hope then, but what you would be able to carry on and manufacture and sell? A. No, I have tried to explain that my policy, if you like to call it a policy, was to get the mill in a position where we were in a position to resume manufacturing if it was possible to do so, or, if, on the other hand it was not possible we would at least have conserved our raw material as far as possible.

Q. In the letter that was written by Mr. Daniels, Exhibit 4, dated January 18th, and addressed to the Sherbrooke division --

"Further to our conversation of Monday regarding

"short time operations. Since that date further complications have arisen which necessitate more drastic action."

And then it gives directions for posting the notice. What were the complications that had arisen between Monday the 13th and Wednesday the 15th? A. Well, what Mr. Daniels himself had reference to there is the fact that on Wednesday I told him to send that notice out to Sherbrooke, and that, in my opinion, we would have to mark time until we were in a better position to know what to do. That is what he had reference to there.

Q. Well now, of course, up until the 14th of January the efforts to sell Japanese goods in the Canadian market had been very much less than they have been since, won't you say? You have only been able to tell us about two cases, practically, that you ran up against and you wanted to get quotations yourself and you had to go as late as February and get Brown to get them for you? A. That isn't wholly the picture by any means. You might put it that way, but it isn't the whole picture.

Q. Well, have efforts been greater since the 14th? A. Well, the thing crops up.

Q. You mean day by day? Has it been growing, has it been developing any since then? A. As was signified by Fisher's letter there, there was a lull over a period, I would say, shortly after -- some time after he sent out that letter -- perhaps shortly after, until he resumed quotations fairly recently, and just

how the thing is going at the moment I cannot tell you. I have been here and perhaps out of contact with things a bit.

Q. Do you not think, Mr. Gordon, that your action in closing the mill at Sherbrooke, was the finest advertising that the Japanese merchants ever got in the Dominion of Canada for their goods? A. That is a stickler, isn't it? What do you call advertising?

Q. Well, you are a salesman, you know.

A. I would not call myself a salesman, I am more of a manufacturer than a salesman.

Q. You never got such free advertising for any of your goods as you did for the Japanese merchants when you closed that mill? A. There was no necessity to advertise. It isn't a question of advertising, it is a question of prices.

Q. You have not been able to tell us a great deal that they have been doing in the way of making any sales? A. No, but any Japanese agent, you get a Japanese agent here and he will tell you what he was doing.

Q. We haven't heard of any sales made to the big stores or wholesale houses up until the 14th of January and starting at the 14th of January you started to advertise Japanese goods? A. No, I don't know exactly what you have heard, but we do know, of course, that goods that have come in have gone to the big stores, as you call them.

Q. What is more, we know all the goods that have come in so we can pass that aside. A. You know where

they have gone --

Q. We have got the goods that came in and we have got samples of them and we know all about them.

A. Do you know where they went after they were imported?

Q. We know where a large portion of them went, but that is a mere bagatelle in the Canadian market so far. I think you will agree with that, if you never run into anything worse than that? A. Do you realize it isn't the actual volume that comes in that determines the situation?

Q. I quite agree with that. I think one thing that might determine the situation, that disturbed the Canadian market, is the advertising that you did for the Japanese merchants, so that the trade here was led to believe they were going to get goods of the same quality and kind and class as yours so much cheaper, by your action? A. Yes, but Mr. McPuer, the trade had great deal better access than we had to Japanese samples of all kinds, and no doubt were being solicited. It was not necessary for us to do that. That is a very distorted and extravagant way of putting it, if I may say so.

(page 2195 follows)

Q. You may say so, but I don't think it is, because when you make an action that causes statements to be made in the Press of every newspaper from the Atlantic to the Pacific, that Japanese goods are being brought in here at prices that are lower than the same goods can be manufactured for here, don't you think that that would have a very disturbing effect in the Canadian market when the whole truth is not told, and that is, that the goods were of a class and character that were inferior to the Canadian products? A. That is another statement, Mr. McNuer, that you are making. I do not subscribe to it.

Q. Well, I want to show you the goods that were actually imported here. Now, looking at Exhibit 138, will you tell me what lines of yours compete with those? A. I would say, Mr. McNuer, that these are basically the same cloth in different shades, and that this line is competitive with our RT-58.

Q. Your which? A. RT-58. I do not know what width they are. I think some of those samples are full width - 27 inches, I presume.

Q. Is it on this file? A. Yes, that is the file.

Q. Which one of yours now, do you say this would compete with? A. Well, I would say that they are made for shade, classification for classification, - I would say they compete with the equivalent lines here.

Q. Now, look at those goods and compare them. Do you think it is a fair statement to broadcast through the newspapers, that the goods that are shown here in Exhibit 148 are the equivalent in value, per yard, to the goods that are shown in your exhibit No. 146, to lead the general public to believe, now, we are going to get the same thing at a lower price, below the price of manufacture, as these newspaper reports would have led the people to believe. Now, I am trying to do your company some good, Mr. Gordon; I am trying to give you some good advertising as against Japanese goods? A. Well, I am trying to find out what newspaper reports you are referring to.

Q. Justlet us deal with this, and we will deal with the newspaper reports later on? A. Are you referring to what appeared in the newspaper when these goods came in?

Q. Yes? A. The fact that these goods were said to be undoubtedly the goods on which orders had been placed previously.

Q. Yes, of which notice, I think, it was part of the function of the Textile Institute to furnish the newspapers with statements that would be broadcast throughout the country through the press, could it not?

MR. LAFLEUR: My lord, that is a statement which I do not think my learned confrere should make.

MR. McGUIRE: I will prove it; I have got letters

on it.

THE WITNESS: My lord, no doubt the newspapers look to Major Gillies for authoritative information in many cases. They know his position and they know--

THE COMMISSIONER: The question was, do you know?

BY MR. McRUER: Q. Do you know whether or not the Textile Institute, when it was organized, said out to the Press, and the Textile Industry, that one of the things we can do is to circulate information through the Press? A. Well, I know that one of the things we felt we had to do was to deal with, or try to deal with a lot of the information that was put in by importers, such as the Robert Simpson Company.

Q. That you would; I am not suggesting that it is right or wrong, or anything else, but one of the things the Textile Institute was to do, if we may say so without any reflection at all, was to conduct a campaign of propaganda through the Press? A. I think one of its functions undoubtedly was to give to the people a fair and proper understanding of our side of the story.

Q. Yes, through the Press? A. Through the Press, or any other way.

Q. Now, a statement appeared in the Canadian Press of, I think, all the large cities on the one day; it was the same--

THE COMMISSIONER: What day?

MR. McNUBB: The 28th of February, 1936:

"Japanese rayon imported at 13 cents; Canadian mill cost is 17 cents a yard."

That is a headline in the Montreal Gazette. Do you know whether or not that was a statement given out by the Textile Institute in regard to this importation of Japanese goods? A. May I see it, please? I will try and answer it. I see that the statement is attributed to Mr. Sears, who is the resident correspondent for the Montreal Gazette in Ottawa. Now, I presume, or at least I don't presume-

Q. You do not need to presume on that, because I saw one in the Toronto Globe, attributed to Mr. Macklington, the Globe's representative in Ottawa? A. I suppose the people in Ottawa could be perhaps in the best position to get information.

Q. Do you know whether that was given out by the Textile Institute? A. I don't know whether it was or not.

Q. All right, then there is no use pressing you on it if you don't know. At any rate, I want to go back to your fabrics. Now, take those fabrics that you have here, or this fabric that you have here. Is there anything there to compare with your fabrics, as shown in Exhibit 146? A. Well, I think those are all---

Q. All about the same quality? A. I would say so, yes, looking at them casually here. I would

have to look at them really more carefully, but I think they are all substantially the same quality.

Q. Now, in looking at them, first taking this one, you see that same weave in there, with a streak going through it, and look at yours, - that is a beautiful sample, no comparison between the two samples. There would be no question in the mind of any one who wanted to buy one of those , as to whether one was as good as the other. A. We may be making too good an article for the price we are charging, Mr. McRuer.

Q. Well, I am going to try to put on a counter campaign of advertising, and advertise your goods as distinguished from the Japanese goods, because I do not think those people --

A. We welcome your views, Mr. McRuer. I should explain that when we make a cloth like this, we cannot tell just what customer that that cloth, as it is woven, or even as it is finished, is going to. It may be going for stock purposes and sold from stock.

Q. Oh yes, that may be true? A. May I develop my point, Mr. McRuer?

Q. Yes, indeed? A. So that we have to supply that cloth to all the different types of people that want it, to the different users; so actually we have to make a cloth which, in quality, is good enough for the best of the users, to the most exacting demands for that whole range of cloths. Now actually, of course, some of the users of this cloth

may be content to use a cloth which has certain superficial defects, although there is nothing the matter with that fabric. It has that streaky ew appearance which certainly would not add to its value, for certain purposes, but for other purposes it might fulfill its function quite well and compete very easily with the quality of this piece of goods.

Q. Yes, I know, but without unduly advertising Japanese goods, to take the Japanese goods and say that it is a rayon imported at 13 cents, yet the Canadian mill cost is 17 cents a yard, is quite a large statement, as far as your goods are concerned, because yours is a very superior article when you hold the two in your hands? A. For some purposes only.

Q. You are going to persist in getting a sale for these Japanese goods? A. Even at the risk of that; I have to keep to the truth. I have got to make it plain, that for certain purposes those goods, in fact, are just as useful, as the others.

Q. Just in the same way, I suppose, that a straw hat, for certain purposes, may be just as useful as a silk hat? A. Well, I do not see the application there.

Q. Now, will you hold that just for a minute. This is the Japanese article. I draw your Lordship's attention to a little experiment on this. Now, when you take your finger nails, see what happens to it; do you know that as a test of the goods? A. You are trying to make the yarn slip.

Q. Yes, it does slip. A. If you put enough force on any article you make it slip.

Q. That is quite true, but to apply this same force onyour article it scarcely slips at all. Is not that true? A. I am afraid it will, Mr. Gower.

Q. All right, you do it.

MR. GEOFFRION: Where is the evidence of the same force being applied?

MR. McNUBB: Does my friend contend, that the Dominion Textile article is not superior. I am going to ask His Lordship to look at both articles.

THE COMMISSIONER: I thought you were going to ask me to test them.

MR. McNUBB: The brown one is the Dominion Textile article, my lord.

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Q. Well, you will agree, Mr. Gordon, will you not, that it has quite an unsettling effect in the trade to have newspaper articles being broadcast all over the country leading the public, rightly or wrongly, to believe that it is the same quality of article that is being imported or proposed to be imported and to be sold at less than the cost of the manufacture. A. I do not believe, Mr. Taylor that these newspaper reports you refer to, coming when they did, would have any effect on the actual buyers of these types of goods. They are interested in the price and the function - they are not paying particular attention to this newspaper stuff.

Q. The consuming public is not curious, waiting to see what is going to be the prices when the goods are brought here, so. - you do not think that would cause them to hold - orders. A. Well, we have never seen any reluctant on the part of departmental stores, the big stores, to advertise such goods if they get the chance. Imported goods are featured regularly. It would not be necessary to go, on the tremendous advertising of Britons and Japanese, to get full publicity to goods like that. Anything that you say might have been the result of these articles published in the papers, I would say the women or consumer buying those goods, the thing that would cause her age would be the advertising by the departmental stores.

Q. You do not think the advertising by closing down a mill would make them curious about the Japanese goods or where they can get them or what

the low prices are going to be? A. Well, that may have been the unfortunate result of closing down the mill but it was not anticipated.

Q. I am not suggesting that but I do suggest that is one of the results? A. That seems to me to be rather far-fetched.

Q. You think it is be rather far-fetched? A. I think so?

Q. Do you not think a statement in the newspapers of February 20th by Mr. Lamont, given before this inquiry, and published in the newspapers, in which he states we may be able to convince the Royal Commission that competition coming from Japan is the cause of the trouble which exists now in the industry - that on the 20th of February that such a statement would cause unrest and cause people to hold back orders? A. No, I think, Mr. Nesbitt, that in trying to attribute any actual trade conditions to these factors that they are purely superficial; I do not think they have any bearing.

Q. Do not you think the statement - To all and sundry in Canada - that Japanese goods are going to be sold here at less than the cost of Canadian manufacture, and not qualifying it by saying that these goods may be very much inferior and less suitable for the market, &c., not qualifying by the kind of statement you would put up if you were facing a customer in a store - do not you think that would have the effect of making people withhold

orders until they saw what was going to be the outcome. A. Well, I think that the trade would withhold orders anyway probably. I mean, these goods are not purchased out of the manufacturer's mill by the ultimate consumer; they go through several hands and it is really the first person in the chain that gets the manufacturer's price and he is - mean - he may see these things in the paper but he has usually a close contact with the importing agency, and that is where he gets his information and not these more or less casual statements appearing in the papers.

Q. Well, a definite statement by the head of the Dominion Textile Company or Counsel acting on behalf of them is not a casual statement appearing in the paper? A. Well, in this statement - -

MR. HEARD: What did you say?

MR. McKEEN: I mean Counsel on behalf of the Textile Companies.

MR. LANGLEY: It was based on facts which have been proven.

MR. McKEEN: Q. Dr. Lambert says it is true but the statement being made to the press would induce people who are engaged in the industry to buy from hand to mouth we may say, wait to see whether they are going to get in on that gravy that Dr. Lambert says is ready for them to come and lap up. A. I say that is a ridiculous way to look at it.

Q. I want to know what your view is? Is not it a fact that the industry generally assuming

goods that may be imported withhold their orders until after budget is brought down, especially when they may be hopeful that there may be changes or a reduction in tariff pending the budget.

A. If such were the particular cases I presume that your remark would apply. I do not know that it does apply in any sense to this matter. It certainly did not apply last year.

Q. Certainly there were no consumers hopeful that there were going to be any reductions in tariffs last year, were there? A. Yes, I imagine there was.

Q. Well, they were unbounded optimists.

A. Well, I dont know about that.

Q. Just without joking - a new Government and a change in policy of Government you would expect that in the month of March or the last two weeks of the month of March and early weeks of April, immediately before the bringing down of a budget, that the industry is going to buy from hand to mouth.

A. No, you must remember - this Government came in office when? In October?

Q. Yes. A. And Mr. King, in perhaps some undue haste, made trade agreements with both the United States and Japan and I do not think from either of those two sources the consumer or importer in Canada would look for any further change. If anything I think might look for some modification of those so-called treaties, when perhaps it was realized that they were made without a great deal of consideration of certain effects they might have.

Q. Well, you, then, are not taking at its face value the official announcement that was made at the time those changes were made and that was they are not all the reductions there was going to be. A. Where was that quiry?

Q. That was, if I recollect correctly, it was made at the time of the American Agreement. A. Well, I have not got the whole letter in my mind but Mr. Wrong's letter and the attached memo were quite complete and I should think the only further changes would perhaps have been in adding different types, but I think it was going - -

Q. You know it was said then and said on the floor of the House since they were not all the reductions that were going to be made? A. No, I am afraid I did not know that. It may be true.

Q. If that is true would it not be fair to suggest that the trade would be buying from hand to mouth pending the bringing down of Budget, because there is an uncertainty as to what might be reduced and what might not be reduced and is not that the natural thing that happens every time, especially when there is a change in Government, a Government with a lower tariff policy than the previous one. A. No, I do not really believe, Mr. Lemieux, that the importers, certainly of textile goods of any description, apart perhaps from the hope that British goods might be dealt with at this Budget because of the tariff here - - -

Q. Rayons are one of the very things before the Tariff Board on which expectations might be held

out that they might be dealt with - is not that a fact? A. Rayon and rayon mixtures were included in the British reference.

Q. And is not it a fact that people who are importing rayon right now are refusing to import them otherwise than in bond until the Budget is brought down? A. From Great Britain?

Q. Yes. A. I did not know that.

Q. Well, if that is a fact would it not also lead one to believe that those who are engaged in the manufacture of rayons will be buying, as I might say, from hand to mouth until after the Budget is brought down, until one see if they can get them cheaper from Great Britain. A. No, I do not think that holds good because the values of British goods are pretty well established and even perhaps some reduction in the duty would not necessarily put them into competition with our own on the particular styles. I am talking against our Tariff Board argument.

Q. You want to be careful now because this is a little broader than Japanese? A. I am in a very difficult position here.

Q. I do not want to put you in a difficult position. A. No, but I have to deal with your question such as it is.

THE COMMISSIONER: Mr. Gordon is under oath now.

MR. MORSON: Well, - -

THE WITNESS: This is my opinion, for what it is worth - I do not think, my own opinion is, that the trade here are anticipating buying any quantity of British goods at lower prices after the Budget comes

down.

Q. Why not? A. Because I do not think there is a big enough differential in price between our prices and the British prices to warrant the trade buying British patterns and perhaps to some extent British constructions.

Q. Then may I take it that we may clear this - that even if there was a considerable reduction in the duty on British goods you think they would not buy from the British, they would still buy from you? A. There would be certainly a point as there is in all these cases and perhaps to your mind it still might not be a small figure - a cent a yard on 15 cents a yard article is a big factor, much more than a cent a yard on a 50 cents article, as you can readily appreciate. So, if the change was as you say considerable, it is hard to tell just where the thing would stop.

(witness proceeds on page [illegible].)

It is a rather delicately adjusted situation which can be upset.

Q. There has been an application to the Tariff Board, on rayons, and it has been opposed by the Canadian manufacturers? A. I don't like that word opposed. You have not got that Tariff Board angle straight. The request from the British industry, through the media of His Majesty's Government in Great Britain, was for a review of the tariff. They did not say the tariff is too high or too low. They said we were promised a review under the Ottawa agreement and we want that review made. That is what they really did.

Q. They were contending and contending vigorously that it was too high? A. They were prepared to stand by the facts. If it was shown to be too low --

BY THE COMMISSIONER: Q. They would have to stand by them? A. Yes, they would have to; they understood that.

Q. They must have been expecting a reduction when they asked for a review? A. Yes, naturally, sir, looking at it from their angle there is no doubt about it, but I just want to get it clear that we were also a party to that hearing.

BY MR. HOWE: Q. Of course, you did not ask for the hearing, the British asked for it? A. Yes, but we might have asked for it if the British had not got in first.

Q. You did not get there before them, anyway?

It is a rather delicately adjusted situation which can be upset.

Q. There has been an application to the Tariff Board, as you know, and it has been opposed by the [illegible] Q. I don't know that opposed. You have got not that Tariff Board might [illegible] surrounded the media of the industry's statements in [illegible] Board, was for a review of the tariff. They did not say the tariff is too high or too low. They said we are prepared a review under the present conditions and we want the Board made. That is what they really did.

Q. Then what conditions and circumstances alter cases if not the law [illegible]? A. [illegible] to stand by the tariff. It is for them to say too --

MR. FOR CONSIDERATION: Q. They would have to stand by them? A. Yes, they would have to [illegible] understand that.

Q. They must have been expecting a production plan they asked for a review? A. Yes, [illegible] air. Looking at it from theory angle there is no [illegible] is, but I just want to put it clear that we [illegible] a party to that hearing.

MR. [illegible]: Q. Of course, you did not ask for [illegible] Q. [illegible] we might have asked for it if the British had not [illegible] is fixed.

Q. The GOV not get down before then, anyway?

A. No.

BY THE COMMISSIONER: Q. Your object would be to have the tariff increased against them?

A. That is right. There is no use -- I am not trying to split words; I just want to get it in the right terminology.

BY MR. McRUER: Q. Mr. Gordon, you were putting forward to the Tariff Board that the tariff was not too high? A. We were giving the Tariff Board our costs of production.

Q. And your arguments, that the tariff was not too high? You gave the evidence, you presented the case? A. I had a lot to do with it, Mr. McRuer. There were many things argued about, and many factors introduced by our friends from Lancashire that we did not think were relevant to the picture at all, and that we argued about. We certainly did argue.

Q. The only thing I am getting at, on the eve of a budget it would have a tendency to unstable the market here and cause people to buy from hand to mouth; if you won't agree with me, alright. A. If you think you are getting at that point, alright.

THE COMMISSIONER: It is past five o'clock and I understand this is to be the last day of sittings in Montreal. What about the future? You are not through with Mr. Gordon?

MR. McRUER: No, we will have to return, and Mr. Geoffrion, of course, desires to examine Mr. Gordon, too, later, and we will certainly desire to do so.

MR. GEOFFRION: Are you through?

Q. Pardon.

BY THE COMMISSIONER: Q. Your object would be to have the tariff increased again, isn't it?

A. That is right. There is no use -- I am not trying to split terms; I just want to make it in the right terminology.

BY MR. MORTON: Q. Mr. Gordon, you were putting forward to the tariff Board that the tariff was not too high? A. We were giving the tariff board our costs of production.

Q. And your arguments, that the tariff was not too high? You gave the evidence, you remembered the co A. I had a lot to do with it, Mr. Morton. There

[illegible]

based by our friends from Lanoraie that we did n think were relevant to the picture at all, and the [illegible]

Q. The only thing I am dealing at, on the one a budget it would have a tendency to unsettle the market here and cause people to buy from land to [illegible] if you won't agree with me, alright. A. If you think you are getting at that point, alright.

THE COMMISSIONER: It is just five o'clo and I understand this is to be the last day of [illegible] in Montreal. Can't count the witness? You [illegible] through with Mr. Gordon?

MR. MORTON: No, we will have to return, and in [illegible] question, of course, desires to examine Mr. Gordon, later, and we will certainly desire to do so.

[illegible] Are you through?

MR. McRUER: No, I am not through.

THE COMMISSIONER: Just through for to-day. Now, we are about to adjourn for some time. That is why I am asking for suggestions.

MR. GEOFFRION: My suggestion would be as soon as possible.

THE COMMISSIONER: I think that insofar as Montreal is concerned all we can do for the present is to adjourn sine die. We will have to fix a date later.

MR. GEOFFRION: When do you intend to resume sittings?

THE COMMISSIONER: Well, as to resuming the sittings, we have to sit in Quebec.

MR. GEOFFRION: Is there such an urgency in Quebec that this could not be finished before?

THE COMMISSIONER: Pardon?

MR. GEOFFRION: Is there such an urgency in Quebec that this could not be finished before you go to Quebec?

THE COMMISSIONER: How long would this take, this part of the case?

MR. GEOFFRION: Is my learned friend fairly close to the closure of the examination in chief, or you might call it cross-examination?

MR. McRUER: Oh, on this subject, yes, I should say so. Of course, on the other and more comprehensive subject of the operations of the Dominion Textiles as a whole, and on the cotton aspects of their business, that will take some long time.

MR. GEOFFRION: This part of it is nearly through, you say?

MR. McRUER: I think this part is.

MR. GEOFFRION: There will be another chapter that is fairly long still?

MR. McRUER: Yes.

MR. GEOFFRION: Because I was wondering whether we could not -- will you give me one second, please?

MR. LANGTOT: For my end of it, I cannot make the part of the case in which I am interested until Mr. Geoffrion is through with Mr. Gordon, or through with comparative prices and all that; so, if it was possible to have the court here on the 22nd --

MR. GEOFFRION: If we sit in Montreal to finish this part of it I suppose two days would be enough?

THE COMMISSIONER: I didn't hear you.

MR. GEOFFRION: There is Mr. Gordon's cross-examination, and we have got a few witnesses. I think there is only Mr. Gordon on silk. We have his cross-examination. That will take less than a day, and then, you need two days?

MR. LANGTOT: If I had two days, my lord, I could make my case.

MR. GEOFFRION: We can finish the sittings in three days.

MR. LANGTOT: That is the part of the case in which I am interested, although Mr. McRuer is trying to defend before the case is made.

THE COMMISSIONER: There is the question of urgency and there is the question of counsel for the commission being able to be ready for it. That have you to say, Mr. McRuer?

MR. MACDONALD: There will be another witness that is fairly long well?

MR. [illegible]

MR. CONTRELL: Because I was wondering whether we could not -- will you give me one second, please?

MR. LAMONT: For my end of it, I cannot make the part of the case in which I am interested until the conflict is through with. Perhaps, on Tuesday this commercial place and all that; so, if it was possible to have the court keep on the road --

MR. CONTRELL: If we did it Saturday to finish this part of it I suppose two days would be enough?

MR. LAMONT: No; I don't think so.

MR. CONTRELL: There is Mr. Lord's examination, can we have a go at the witness. I think there is only Mr. [illegible] in this.

MR. LAMONT: This will take time [illegible] examination. You may be right.

MR. LAMONT: If I had two days, no lord. I could do it.

MR. CONTRELL: We can finish the evidence in three days.

MR. LAMONT: That is the work of two weeks in which I am interested, although Mr. [illegible] is trying to defend before the case is ended.

MR. CONTRELL: There is the [illegible] and there is [illegible] for the commission [illegible] ready for it. That leaves one to [illegible]

MR. [illegible]

MR. McRUER: There are two things that are immediately pressing. One is the investigation at Montmorency and the other is the completion of this aspect of the Sherbrooke matter, and it is immaterial to us which one we go on with first. I leave that to your lordship.

THE COMMISSIONER: What I have in mind is this, what we are doing here in Montreal seems to be of a more searching, intricate and more general character than what is contemplated say at Montmorency, or as we had at Three Rivers.

MR. McRUER: Yes.

THE COMMISSIONER: I assume that at Montmorency we will find that it is a question of labour conditions and hours and wages and things of that sort?

MR. McRUER: Yes.

THE COMMISSIONER: We know now just what that involves by having gone to Sherbrooke and Three Rivers. Now, should we do that first before resuming the work we have been doing here this week, or should we finish with this sort of work and then do the other? It will depend greatly, as I say, on your ability to be ready. Take for instance costs of production, tariff protection, capital, investments and those sort of things.

MR. McRUER: I would not be prepared to deal with those, certainly, upon resumption.

THE COMMISSIONER: Those are the kind of things we have touched on. We have touched on tariff protection to some considerable extent; costs of

production have not been approached yet. Investments have not been approached yet, and I may say that these are what you might call the really intricate part of the inquiry. Now, would you require a lengthy adjournment insofar as they are concerned?

MR. McRUER: I think that we can carry on with a good bit of that sort of investigation immediately after Montmorency.

THE COMMISSIONER: Only after Montmorency?

MR. McRUER: Yes.

THE COMMISSIONER: We will take then that the week of April 20th would begin by going further east.

MR. McRUER: What I thought was this, we could get started down at Montmorency, and then there is another investigation in that district at Bonhaspy, and I could probably return to Montreal and be preparing while Mr. Beauregard is carrying right on with the examination down there.

THE COMMISSIONER: While these are going on?

MR. McRUER: While they are going on there. Mr. Beauregard and I could divide our work to that extent.

THE COMMISSIONER: That would mean then, roughly speaking, being back here about April 27th, wouldn't it?

MR. BEAUREGARD: We might set that date. I suppose it would be safe to say we should be back on the 27th.

THE COMMISSIONER: That is to go on then with these features of the inquiry I have mentioned.

MR. McRUER: With the exception of costs of production. I was not intending to touch that until

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we had got them in from all the different companies.

THE COMMISSIONER: I am not tieing you down. I am just giving you an idea of the sort of things that will require a great deal of time, and might be dealt with all here in Montreal. Is that right?

MR. McRUER: I think so.

THE COMMISSIONER: That being the case we can hardly expect to be here in Montreal before April the 27th. That is about right.

MR. McRUER: I would think so.

THE COMMISSIONER: We will get this more specifically fixed then. All parties will be notified.

-- The Commission adjourned at 5.15 p.m., April 6th, 1936 to resume the week of April 20th.
